

EXHIBIT D

Customer Bill Form



Carolina Water Service Inc
Customer Service: (800) 367-4314
Collections: (800) 367-4314
Emergency Phone: (800) 367-4314
www.uiwater.com

Bill Date	Account Number	Due Date	Please Pay
08/09/2017	9999999999	09/04/2017	\$108.39

Name **JOHN DOE** Primary Phone # (555) 555-5555
Service Address **12345 MAIN ST, ANY CITY, SC 29732**

Activity Since Last Bill

Previous Balance \$189.29
Payments received as of 08/09/2017 -\$189.29
Balance as of 08/09/2017 \$0.00

Residential Water Service

Water Base Charge \$24.72
2,680 gallons at \$8.88 per 1,000 gallons \$23.80
Safe Drinking Water Act Fee \$2.29
Total Residential Water Service \$50.81

Residential Wastewater

Wastewater Service \$57.58
Total Residential Wastewater \$57.58
Total Amount Due \$108.39

Summary of Service

Meter Reading Meter # 11111
Current 2374410 08/02/2017
Previous 2371730 07/01/2017
Usage 2,680 Gallons
Number of Days: 32
Average Daily Use: 83.75 Gallons
Average Daily Cost: \$3.39
Register Constant: 1

Billing History

in dollars



Consumption History for Water

in GAL



A fee of 1.5% per month will be added if unpaid by the due date. Make check payable to: Carolina Water Service Inc.
Rate Schedules are available upon request. Visit www.uiwater.com for important account offerings.

Messages

The Company is under the jurisdiction of the PSC. You may contact the ORS at 800-922-1531 with any complaints that remain unresolved after 7 days.



PO Box 160609
Altamonte Springs, FL 32716-0609

Account Number: 9999999999
Due Date: 09/04/2017
Please Pay: \$108.39

Amount Paid

UTJ0824A AUTO MIXED AADC 604
7000003755 00.0019.0131 3743/1



JOHN DOE
12345 MAIN ST
ANY CITY, SC 29732



Carolina Water Service Inc
PO BOX 11025
LEWISTON ME 04243-9476

☐ Address correction requested on back

EXHIBIT E

Annual Reports and Gross Receipts Form



SOUTH CAROLINA PUBLIC SERVICE COMMISSION
and
SOUTH CAROLINA OFFICE OF REGULATORY STAFF
GROSS RECEIPTS FOR THE TWELVE (12) MONTHS ENDING JUNE 30, 2017
(Please correct preprinted information as required)



Carolina Water Service, Inc.	36-2750548
Company Name (as shown on Certificate)	FEIN
List d/b/a and/or f/k/a aliases	
150 Foster Brothers Dr	West Columbia SC 29172
Address	City State Zip Code
Michael Cartin	1-800-367-4314 mrcartin@uiwater.com
Regulatory Contact	Area Code & Phone Number E-Mail

INTRASTATE GROSS RECEIPTS

Revenues Derived Via South Carolina Operations from:

Water Revenues	(Water) \$ <u>10,533,632.17</u>
Sewer Revenues	(Sewer) <u>10,559,818.59</u>
Electricity Revenues	(Electric) _____
Natural Gas Revenues	(Gas) _____
Railroad Revenues	(Railroad) _____
Telecommunications Revenues:	
ILEC (Local Exchange)	(ILEC) _____
CLEC (Competitive Local Exchange)	(CLEC) _____
IXC (Long Distance)	(IXC) _____
PSP (Payphone Service Provider)	(PSP) _____
Wireless (Eligible Telecommunications Carrier)	(Wireless ETC) _____

Total Revenues Derived Via South Carolina Operations

\$ _____

Preparer's Signature

Date

Affidavit

State of South Carolina County of Lexington
Personally appeared before me Michael Cartin who, being duly sworn,
says that he/she is the Operations manager of Carolina Water Service (Company) and
that the foregoing statement, for the twelve (12) months ending June 30, 2017, is correctly taken from the books and records of
said Company, and is true to the best of his/her knowledge and belief.

Sworn to and subscribed before me this 14th day of July, 2017.

Notary Public

My commission expires 11/08/2021

Place

Seal

Here

Return completed form to:

South Carolina Office of Regulatory Staff
Attention: Gross Receipts Department
1401 Main Street, Suite 900
Columbia, SC 29201

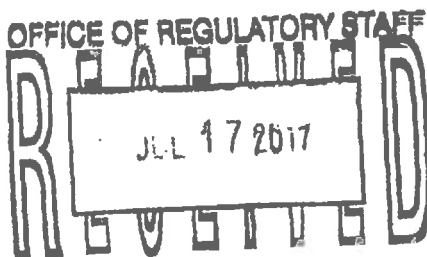
Failure to timely complete and submit this form
could result in the loss of your license, authority
or certificate to operate in South Carolina.

Return Deadline is August 31, 2017

State of South Carolina
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC 29201

FIRST CLASS MAIL
U S POSTAGE PAID
COLUMBIA, S.C.
PERMIT NO. 78

Single-Piece



CAROLINA WATER SERVICE, INC.
150 FOSTER BROTHERS DR
WEST COLUMBIA SC 29172-2754

FYY-SP1 29172

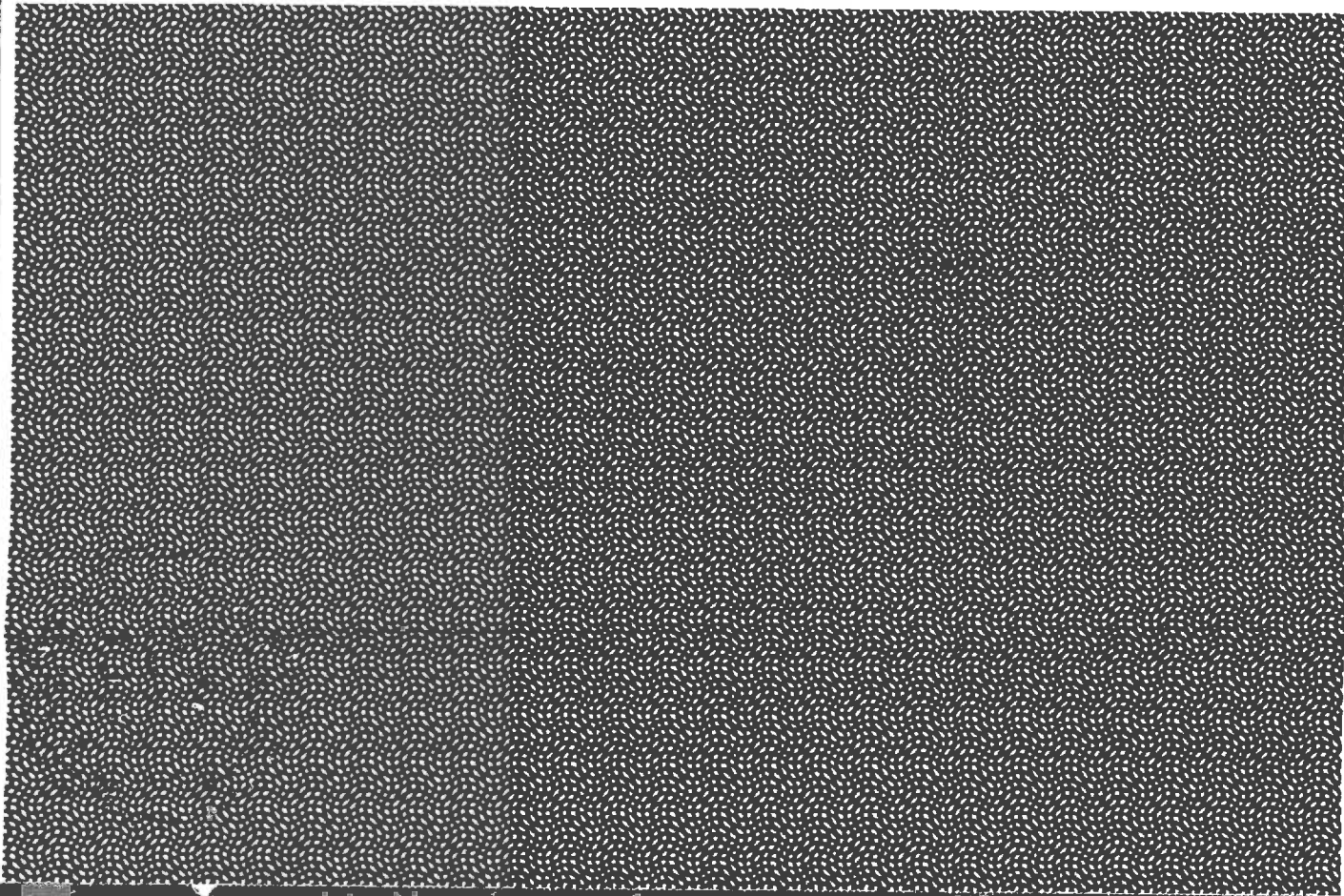


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GENERAL INSTRUCTIONS

1. All water utilities are required by state law to complete and file this annual report. Two copies should be mailed to the South Carolina Office of Regulatory Staff, 1401 Main Street, Ste. 900, Columbia, SC 29201 by April 1, 2017. A third copy should be retained by the company for reference. Upon receipt, the Office of Regulatory Staff will forward one copy to the Public Service Commission of South Carolina. Filing two copies with the Office of Regulatory Staff will satisfy the utility's responsibility for submitting an annual report as required pursuant to Commission regulations. Pencil entries will not be permitted on the hard copy.
2. All forms are available in PDF filable format on the Office of Regulatory Staff web site at www.regulatorystaff.sc.gov. An Excel form is available via email.
3. Respond to each item using "0", "none", or "not applicable" as appropriate.
4. Requests for extension must be in writing to the Office of Regulatory Staff. Extension requests postmarked after April 1, 2017 will be denied.
5. All accounting terms and phrases used in this report are to be interpreted in accordance with the effective applicable Uniform System of Accounts prescribed by this Commission, as set forth in S.C. Code Ann. Section 58-5-220 and Commission regulation 103-520.
6. Standard accounting procedures will apply in determining the nature of any entry (e.g. entries of a reverse character will be indicated by a parentheses around the number).
7. The report will be filed consisting of data relative to a calendar year basis or the company's fiscal year, but not both.
8. If this report is made for a period less than the calendar year or fiscal year, the period covered must be clearly stated on the front cover and elsewhere throughout the report where it is necessary to include the period covered. When operations cease during the year because of the disposition of property, the balance sheet and supporting schedules should consist of balances and items immediately prior to transfer (for accounting purposes).
9. All instructions should be followed and each question should be answered fully and accurately. Sufficient answers are those in which no question or schedule has been overlooked. The expression "none" or "not applicable" should be given as the answer to any particular inquiry or schedule where it truly and completely states the fact. Unless otherwise indicated, no information will be accepted which incorporates by reference information from another document or report. In any instance where information called for is not given, the reason for its omission should be stated fully.
10. Dates, when called for, should include the day, month and year. Customary abbreviations may be used in stating dates.
11. Whenever schedules call for comparison of figures of a previous year, the figures reported must be based upon those shown by the annual report of the previous year; otherwise, an appropriate explanation of why different figures were used should be given.
12. One copy of the respondent's latest corporate annual report, if issued, should be submitted with this report. If the respondent is a member of a group, both the parent and subsidiary's corporate annual report should be submitted.

**GENERAL INSTRUCTIONS
(Continued)**

13. Throughout this report, money items will be rounded to the nearest dollar.
14. Failure to comply with the submission of the annual report may result in fines and/or loss of certification.
15. Separate notification is required for changes in company information -- i.e. name, address, telephone number, contact names, sale or purchase of Company, corporate structure.
16. Do not fold forms.
17. Contact the Office of Regulatory Staff at (803) 737-0800 if you have questions about this form or the requirements for a water or wastewater utility.

(Company Name)

Schedule 100. IMPORTANT CHANGES DURING THE YEAR

Provide written responses for each of the items listed below. Make the written statements clear and brief. A response must be given for each item. However, if the word "none" is an accurate response, it may be used as such. Similarly, if information is given elsewhere in the report which would serve as a response to an item, reference that information in the space provided.

1. Have you had changes or additions to franchise rights? If so, describe (a) the actual payment given in exchange for the franchise rights, and (b) from whom acquired. If acquired without payment, state that fact.

No

2. Have any of the following occurred -- acquisition of other companies, or reorganization, merger or consolidation with other companies? If so, give names of companies involved, details concerning the transactions, and reference to Commission authorization, including docket numbers.

No

3. Have any of the following occurred -- purchase or sale of operating units, such as sources, treatment and storage facilities, transmission and distribution systems, or similar occurrences? If so, specify items, parties, effective dates and also reference the Commission authorization, including docket numbers.

No

4. Have any leaseholds been acquired, given, assigned, or surrendered? If so, give the effective dates, lengths of terms, names of parties, rents, Commission authorization, (docket numbers), if any, and other conditions.

No

5. Have there been any extensions of service territories? If so, include the Commission authorization (docket numbers), that give the location of the new service territory covered by distribution system and the dates of beginning operations. Give the number of customers by class; for each class, give the number of customers estimated with regard to annual revenues for the new territories.

No

6. What is the estimated increase or decrease in annual revenues due to rate changes, (cite docket numbers), and the approximate extent to which the increase or decrease is reflected in revenues for the reporting year?

Rate case Docket No. 2015-199-WS resulted in approximately \$1,450,335 increase
reflected in revenues for the reporting year.

7. Have there been any wage scale changes? If so, show the dates of changes, the effect on operating expenses for the year, and estimated annual effect of the wage scale changes on operating expenses.

April 2016 Raises were average 3.0%

8. Have there been any obligations incurred or assumed by you, the respondent, as guarantor for the performance by another of any agreement or obligation -- excluding ordinary corporate bonds maturing on demand or not later than one year after date of issue? If so, give the Commission authorization, (docket number), if any.

No

9. Have there been any changes in articles of incorporation or amendments to charters? If so, explain the nature and purpose of these changes or amendments. Note any filing with the Commission.

No

10. Other changes not provided for elsewhere.

None

Schedule 110. DEFINITIONS

“Accounts” means the accounts prescribed in the NARUC Uniform System of Accounts.

“Amortization” means the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, which may be over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

“Book Cost” means the amount at which property is recorded in the applicable account without deduction of related provisions for accrued depreciation, amortization, or for other purposes.

“Class A” for water utilities means a utility having annual water operating revenues of \$1,000,000 or more.

“Class B” for water utilities means a utility having annual water operating revenues of \$200,000 or more but less than \$1,000,000.

“Class C” for water utilities means a utility having annual water operating revenues of less than \$200,000.

“Control” (including the terms; “controlling,” “controlled by,” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers, or stockholders, voting trusts, holding trusts, affiliated companies, contract or any other direct or indirect means.

“Cost” means the amount of money actually paid for property or service. When the consideration given is other than cash, the value of such consideration shall be determined on a cash basis.

“Debt Expense” means all expenses in connection with the issuance and initial sale of evidences of debt, such as fees for drafting mortgages and trust deeds; fees and taxes for issuing or recording evidences of debt; cost of engraving and printing bonds and certificates of indebtedness; fees paid trustees; specific costs of obtaining governmental authority; fees for legal services; fees and commissions paid underwriters, brokers, and salesmen or marketing such evidences of debt; fees and expenses of listing on exchanges; and other like costs.

“Depreciation”, as applied to depreciable utility plant, means the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of the utility plant in the course of providing service. This includes causes which are known to be in current operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand, and requirements of regulatory bodies.

“Distribution Mains” means any pipes whose primary purpose is to distribute treated water throughout a community, and whose components include arterial or primary feeders, secondary feeders, and the distribution grid works.

Schedule 110. DEFINITIONS (Continued)

“Investment Advances” means advances, represented by notes or by book accounts only, with respect to which it is mutually agreed or intended between the creditor and debtor that they shall be settled by the issuance of securities or shall not be subject to current settlement.

“Minor Items of Property” means the associated parts or items of which retirement units are composed.

“Net Salvage Value” means the salvage value of property retired less the cost of removal.

“Nominally Issued”, as applied to securities issued or assumed by the utility, means those which have been signed, certified, or otherwise executed, and placed with the proper officer for sale and delivery, or pledged, or otherwise placed in some special fund of the utility, but which have not been sold, or issued directly to trustees of sinking funds in accordance with contractual requirements.

“Original Cost”, as applied to utility plant, means the cost of such property to the person first devoting it to public service.

“Property Retired”, as applied to utility plant, means property which has been removed, sold, abandoned, destroyed, or which for any cause has been permanently withdrawn from service.

“Replacing or Replacement”, when not otherwise indicated in the context, means the construction or installation of utility plant in place of property retired, together with the removal of the property retired.

“Retained Earnings” means the accumulated net income of the utility less distributions to stockholders and transfers to other capital accounts, and other adjustments.

“Salvage Value” means the amount received for property retired, less any expenses incurred in connection with the sale or in preparing the property for sale, or, if retained, the amount at which the material recoverable is chargeable to materials and supplies, or other appropriate account.

“Straight-Line Remaining Life Method”, as applied to depreciation accounting, means the plan under which the service value of property is charged to operating expenses (and to clearing accounts if used), and (accounts if used), and credited to the accumulated depreciation account through equal annual changes during its service life. “Remaining Life” implies that estimates of the future life and salvage shall be reexamined periodically and that depreciation rates will be corrected to reflect any changes in these estimates.

“Supply Main” means any main, pipe, or aqueduct or canal whose primary purpose is to convey raw untreated water from one unit to another unit in the source of supply and pumping plant, and to the water treatment equipment.

“Transmission Main” means any pipes whose primary purpose is to convey treated water from the water treatment equipment or pumping station to the distribution system serving a community and generally provides no service connections with customers.

“Utility”, as used herein and when not otherwise indicated in the context, means any public utility to which the uniform system of accounts is applicable.

CAROLINA WATER SERVICES INC.**FOR THE YEAR ENDED 2016**

(Company Name)

Schedule 120. EXECUTIVE SUMMARY**1. IDENTIFICATION (legal title)**

PSC/ORS No.	_____ (leave blank)		Federal ID No.:	36-2750548
Check Business Structure & Indicate Date	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Corporation	
Name of Company:	Carolina Water Service Inc.			
Doing Business As:	Carolina Water Service Inc.			
Street Address:	2335 Sanders Road			
City:	Northbrook	State:	IL	Zip Code: 60062
Mailing Address:	(same as above)			
City:		State:		Zip Code:
Telephone No. (Include Area Code):	(847) 498-6440			

(a) State whether any change was made in the name of the respondent during the year. If so, state the changes and the dates when they were made.

NO

(b) State whether the respondent is a firm or partnership. If a partnership, give the names of the partners and the proportion of their respective interests.

NO

(c) State the kinds of business, other than Water Utility, in which the respondent was engaged at any time during the year. If none, state that fact.

(d) Give the names and office addresses of the Board of Directors, if any, of the respondent at the close of the year, as well as the dates of expiration of their respective terms. If any person abandoned, resigned from, or was removed from a directorship during the year, give full details in a footnote. If the organization was a partnership, give the names of the partners and designate them as such.

Name of Director	Office Address	Term Begins	Term Ends
Lisa A. Sparrow	2335 Sanders Rd Northbrook, IL		
Dietz Kellmann			
Kevin Meagher			
Kenneth Morrison			

CAROLINA WATER SERVICES INC.

FOR THE YEAR ENDED 2016

(Company Name)

Schedule 120. EXECUTIVE SUMMARY (Continued)

(e) Give the titles of all officers of the respondent at the close of the year, the names of persons holding the offices at year end, and the date when each originally assumed the duties of the office. If any person abandoned, resigned from, or was ousted from any office during the year, give full details in a footnote.

Title of Officer	Name of Person Holding Office	Office Address	Date of Entry
President	Rick Durham	150 Foster Brothers Drive West Columbia, SC	3/10/14
Vice President	Bob Gilroy	150 Foster Brothers Drive West Columbia, SC	3/10/14
Vice President & Secretary	John R. Stover	2335 Sanders Rd. Northbrook, IL	3/10/14
Assistant Secretary	Debra A. Plumb	2335 Sanders Rd. Northbrook, IL	3/10/14
Assistant Secretary	Cheryl Hsu	2335 Sanders Rd. Northbrook, IL	3/10/14
Treasurer	Jim Andrejko	2335 Sanders Rd. Northbrook, IL	3/10/14

(f) Give the date of incorporation of respondent and the name of the state or territory under whose laws the incorporation was organized. Carolina Water Services Inc. was incorporated on 8/28/1972, and was incorporated under the state of Delaware.

2. CONTACT (for purpose of this report)

Contact Name:	<u>Robert Hunter</u>		
Title:	<u>Financial Planning & Analysis Manager</u>	Telephone:	<u>(847) 897-6502</u>
Email Address:	<u>rmhunter@uiwater.com</u>	Fax No.:	<u>(803) 791-8643</u>

3. MAILING ADDRESS (if different from above)

Mailing Address:	<u>150 Foster Brothers Drive</u>		
City:	<u>West Columbia</u>	State:	<u>SC</u>
		Zip Code	<u>29172</u>

CERTIFICATION

I hereby certify that the enclosed Annual Report was prepared by me or under my supervision, that I have examined it, and that the items herein reported on the basis of my knowledge are correctly shown.

Name: <u>Robert Hunter</u>	Title: <u>Financial Planning & Analysis Manager</u>
Signature: <u>Robert Hunter</u>	Date: <u>4/20/2017</u>

CAROLINA WATER SERVICES INC.

FOR THE YEAR ENDED 2016

(Company Name)

Schedule 130. TECHNICAL SUMMARY**GENERAL INFORMATION**Submit a copy of the Company's latest DHEC quality of service letter/report with this annual report.**PHYSICAL DESCRIPTION:**

Detailed general description of water system: _____

Seventy five well systems, two of which have elevated storage while the remainder have either hydro-pneumatic or ground storage tanks. Six of these systems also have supplemental purchased water supplies. There are thirty systems where all the water is purchased.

Number of wells in use: see below Number of tanks in use/size: see below

Raw water reservoir capacity: _____

Settling basins - number and size: _____

Equipment - description and make: _____

Wells	154	5,481 gpm
Hydro-pneumatic or Ground Storage Tanks	105	816,800 gallons
Elevated Storage Tanks	3	375,000 gallons

Is fire protection provided by system? CWS does not provide fire protection, however, fire flow is available in systems with elevated storage.

Number of fire hydrants in use: 507

Kind of Pipe (Cast Iron, Galvanized Iron, Coated Steel, etc.)	Diameter of Pipe (inches)	Beginning of Year (feet)	Removed / Abandoned (feet)	End of Year (feet)
Water Mains		1,405,271		1,416,388

CAROLINA WATER SERVICES INC.

FOR THE YEAR ENDED 2016

(Company Name)

Schedule 130. TECHNICAL SUMMARY (Continued)

SERVICES AND METERS

Size and Description	Owned by Utility				Owned by Customers end of Year
	Beginning of year	Added	Retired or Abandoned		End of Year
Meters in use and in stock					
3/4"(5/8")	14,531	435			14,966
1"	81	3			84
1 1/4"	-	-			-
1 1/2"	34	1			35
1 3/4"	-	-			-
2"	76	-			76
other size	23	(6)			17
Total Meters in use and in stock	14,745	433	-	-	15,178
Meters in stock only - all sizes					
Services in use (feet)					
Iron pipe					
Lead and copper pipe					
Total services in use (feet)					
Services not in use (feet)					
Iron pipe					
Lead and copper pipe					
Total services not in use (feet)					
Total Services (feet)					

TREATMENT:Is water purified? See page 9.1

Method used (sedimentation, slow or fast sand filtration, chemical, aeration, or other):

Dimensions, sizes, and 24-hour capacities of sand filtration beds:

Coagulants used:

Sterilization treatment used: All of the wells operated by CWS use sodium hypochlorite to disinfect the drinking water.Is water fluoridated? None of the ground water systems are fluoridated.Is water softened? See page 9.1Method used: NA

[illegible]

CAROLINA WATER SERVICES INC.

***Treatment Key**

1	Sodium H ₂ phosphate for disinfection
2	Soda ash or caustic soda for pH adjustment
3	Pol. Phospho help for anti corrosion or metals accumulation
4	Iron Filings
5	Water Softeners
6	Sludge removal
7	Aerating (etc. all)

CAROLINA WATER SERVICES INC.**FOR THE YEAR ENDED 2016**

(Company Name)

**Schedule 130. TECHNICAL SUMMARY
(Continued)**

SERVICE AREA AND CUSTOMER DATA:

Area and/or subdivisions served by water system: _____

Areas of Lexington, Sumter, Williamsburg, Richland, Saluda, Greenville, Anderson, Abbeville,Aiken and York Counties

Total number of residential customers at the end of the fiscal or calendar year:	<u>14,906</u>
Total number of commercial customers at the end of the fiscal or calendar year:	<u>272</u>
Total number of industrial customers at the end of the fiscal or calendar year:	<u> </u>
Total number of customers at the end of the fiscal or calendar year:	<u>15,178</u>

(Company Name)

**Schedule 200. BALANCE SHEET
ASSETS AND OTHER DEBITS**

Line No.	Account Number and Title (a)	Current Year-End Balance (b)
1	UTILITY PLANT	
2	101 Utility Plant in Service (Schedule 201)	45,949,997
3	102 Utility Plant Leased to Others	
4	103 Property Held for Future Use	
5	104 Utility Plant Purchased or Sold	281,706
6	105 Construction Work in Progress	1,191,716
7	106 Completed Construction not Classified	
8	Total Utility Plant	47,423,419
9	ACCUMULATED DEPRECIATION	
10	108.1 Utility Plant-in-Service (Schedule 202)	(9,792,097)
11	108.2 Utility Plant Leased to Others	
12	108.3 Property Held for Future Use	
13	Total Accumulated Depreciation	(9,792,097)
14	ACCUMULATED AMORTIZATION	
15	110.1 Utility Plant in Service	
16	110.2 Utility Plant Leased to Others	
17	Total Accumulated Amortization	-
18	UTILITY PLANT ADJUSTMENTS	
19	114 Utility Plant Acquisition (Schedule 203)	(773,253)
20	115 Accumulated Amortization of Utility Plant Acquisition (Schedule 203)	(5,829)
21	116 Other Utility Plant	
22	Total Utility Plant Adjustments	(779,082)
23	TOTAL NET UTILITY PLANT	36,852,240
24	OTHER PROPERTY AND INVESTMENTS	
25	OTHER PROPERTY	
26	121 Non-Utility Property	
27	122 Accumulated Depreciation and Amortization of Non-Utility Property	
28	Total Other Property	-
29	INVESTMENTS	
30	123 Investments in Associated Companies	
31	124 Utility Investments	
32	125 Other Investments	
33	126 Sinking Funds	
34	127 Other Special Funds	
35	Total Investments	-
36	TOTAL OTHER PROPERTY AND INVESTMENTS	36,852,240

Schedule 200. BALANCE SHEET (Continued)
ASSETS AND OTHER DEBITS

Line No.	Account Number and Title (a)	Current Year-End Balance (b)
1	CURRENT AND ACCRUED ASSETS	
2	131.1 Cash on Hand	
3	131.2 Cash in Bank	3,492
4	132 Special Deposits (Interest and/or Dividends)	-
5	133 Other Special Deposits	
6	134 Working Funds	
7	135 Temporary Cash Investments	
8	141 Customer Accounts Receivable	3,146,317
9	142 Other Accounts Receivable	(8,762,251)
10	143 Accumulated Provision for Uncollectible Accounts-Credit	(201,122)
11	144 Notes Receivable	
12	145 Accounts Receivable from Associated Companies	
13	146 Notes Receivable from Associated Companies	
14	151 Plant Material and Supplies	
15	152 Merchandise	
16	153 Other Material and Supplies	
17	161 Stores Expense	
18	162 Prepayments	33,558
19	171 Accrued Interest and Dividends Receivable	
20	172 Rents Receivable	
21	173 Accrued Utility Revenues	
22	174 Miscellaneous Current and Accrued Assets	
23	TOTAL CURRENT AND ACCRUED ASSETS	(5,780,006)
24	DEFERRED DEBITS	
25	181 Unamortized Debt Discount and Expense	
26	182 Extraordinary Property Losses	
27	183 Preliminary Survey and Investigation Charges	
28	184 Clearing Accounts	
29	185 Temporary Facilities	
30	186.1 Deferred Rate Case Expense	
31	186.2 Other Deferred Debits	972,883
32	186.3 Regulatory Assets	
33	187 Research and Development Expenditures	
34	190.1 Accumulated Deferred Federal Income Taxes	
35	190.2 Accumulated Deferred State Income Taxes	
36	190.3 Accumulated Deferred Local Income Taxes	
37	TOTAL DEFERRED DEBITS	972,883
38	TOTAL ASSETS AND OTHER DEBITS	32,045,117

CAROLINA WATER SERVICES INC.**FOR THE YEAR ENDED 2016**

(Company Name)

Schedule 200. BALANCE SHEET (Continued)
EQUITY CAPITAL AND LIABILITIES

Line No.	Account Number and Title (a)	Current Year-End Balance (b)
1	EQUITY CAPITAL	
2	201 Common Stock Issued	11,500
3	202 Common Stock Subscribed	
4	203 Common Stock Liability for Conversion	
5	204 Preferred Stock Issued	
6	205 Preferred Stock Subscribed	
7	206 Preferred Stock Liability for Conversion	
8	207 Premium on Capital Stock	
9	209 Reduction in Par or Stated Value of Capital Stock	
10	210 Gain on Resale or Cancellation of	
11	211 Other Paid-In Capital	25,644,414
12	212 Discount on Capital Stock	
13	213 Capital Stock Expense	
14	214 Appropriated Retained Earnings (Schedule 204)	
15	215 Unappropriated Retained Earnings (Schedule 204)	7,783,570
16	216 Reacquired Capital Stock	
17	218 Proprietary Capital (for proprietorships & partnerships only)	
18	TOTAL EQUITY CAPITAL	33,439,484
19	LONG-TERM DEBT	
20	221 Bonds (Schedule 205)	
21	222 Reacquired Bonds (Schedule 205)	
22	223 Advances from Associated Companies	
23	224 Other Long-Term Debt (Schedule 205)	
24	TOTAL LONG-TERM DEBT	
25	CURRENT AND ACCRUED LIABILITIES	
26	231 Accounts Payable	3,144,116
27	232 Notes Payable	
28	233 Accounts Payable to Associated Companies	12,023,621
29	234 Notes Payable to Associated Companies	1,823,272
30	235 Customers' Deposits-Billing	316,051
31	236.11 Accrued Taxes, Utility Operating Income, Taxes Other Than Income	63,290
32	236.12 Accrued Taxes, Utility Operating Income, Income Taxes	(112,718)
33	236.2 Accrued Taxes, Other Income and Deductions	
34	237.1 Accrued Interest on Long-Term Debt	15,109
35	237.2 Accrued Interest on Other Liabilities	
36	238 Accrued Dividends	
37	239 Matured Long-Term Debt	
38	240 Matured Interest	
39	241 Miscellaneous Current and Accrued Liabilities	
40	TOTAL CURRENT AND ACCRUED LIABILITIES	17,272,743

(Company Name)

Schedule 200. BALANCE SHEET (Continued)
EQUITY CAPITAL AND LIABILITIES

Line No.	Account Number and Title (a)	Current Year-End Balance (b)
1	DEFERRED CREDITS	
2	251 Unamortized Premium on Debt	
3	252 Advances for Construction	-
4	253.1 Other Deferred Credits, Regulatory Liabilities	
5	253.2 Other Deferred Credits, Other Deferred Liabilities	7,541,926
6	255.1 Accumulated Deferred Investment Tax Credits, Utility Operations	
7	255.2 Accumulated Deferred Investment Tax Credits, Non-Utility Operations	169,860
8	TOTAL DEFERRED CREDITS	7,711,786
9	OPERATING RESERVES	
10	261 Property Insurance Reserve	
11	262 Injuries and Damages Reserve	
12	263 Pensions and Benefits Reserve	
13	265 Miscellaneous Operating Reserve	
14	TOTAL OPERATING RESERVES	
15	CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)	
16	271 Contributions in Aid of Construction (Schedule 206)	10,466,084
17	272 Accumulated Amortization of CIAC (Schedule 207)	(1,998,763)
18	TOTAL NET CIAC	8,467,321
19	ACCUMULATED DEFERRED INCOME TAXES	
20	281 Accelerated Amortization	
21	282 Liberalized Depreciation	
22	283 Other	
23	TOTAL ACCUMULATED DEFERRED INCOME TAXES	-
24	TOTAL EQUITY CAPITAL AND LIABILITIES	66,891,334

CAROLINA WATER SERVICES INC.

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(Company Name)

Schedule 201. UTILITY PLANT-IN-SERVICE - Account No. 101

All amts included in accts for utility plant acquired as an operating unit or system shall be stated at a cost incurred by the person who first devoted the property to utility service.

Line No.	Account Number and Title (a)	Previous Year-End Balance (b)	Additions (c)	Retirements (d)	Adjustments +/- (e)	Current Year-End Balance (f)
1	.1 INTANGIBLE PLANT					
2	301.1 Organization	298,430	0	0	0	298,430
3	302.1 Franchises	59,551	0	0	0	59,551
4	339.1 Other Plant and Miscellaneous Equipment	2,894	0	0	0	2,894
5	Total Intangible Plant	360,876	0	0	0	360,876
6	.2 SOURCE OF SUPPLY AND PUMPING PLANT					
7	303.2 Land and Land Rights	6,252	0	0	0	6,252
8	304.2 Structures and Improvements	3,412,426	53,459	(12,033)	0	3,453,852
9	305.2 Collecting and Impounding Reservoirs	0	0	0	0	0
10	306.2 Lake, River and Other Intakes	0	0	0	0	0
11	307.2 Wells and Springs	2,779,007	25,168	(13,119)	0	2,791,056
12	308.2 Infiltration Galleries and Tunnels	0	0	0	0	0
13	309.2 Supply Mains	589,994	28,390	0	0	618,384
14	310.2 Power Generation Equipment	0	0	0	0	0
15	311.2 Pumping Equipment	306,031	99,681	(39,338)	0	366,374
16	339.2 Other Plant and Miscellaneous Equipment	2,211	0	0	0	2,211
17	Total Source of Supply and Pumping Plant	7,095,922	206,698	(64,490)	0	7,238,129
18	.3 WATER TREATMENT EQUIPMENT					
19	303.3 Land and Land Rights	38	0	0	0	38
20	304.3 Structures and Improvements	1,177,151	111,071	0	0	1,288,222
21	311.3 Pumping Equipment	2,752,194	95,678	(31,197)	0	2,816,674
22	320.3 Water Treatment Equipment	1,738,593	34,653	(5,856)	0	1,767,390
23	339.3 Other Plant and Miscellaneous Equipment	1,890	0	0	0	1,890
24	Total Water Treatment Equipment	5,669,866	241,401	(37,053)	0	5,874,214
25	.4 TRANSMISSION AND DISTRIBUTION PLANT					
26	303.4 Land and Land Rights	21,400	2,337	0	0	23,737
27	304.4 Structures and Improvements	30,701	0	0	0	30,701
28	311.4 Pumping Equipment	292,267	138,613	(667)	0	430,213
29	330.4 Distribution Reservoirs and Standpipes	5,121,166	941,442	(108,633)	0	5,953,975
30	331.4 Transmission and Distribution Mains	11,195,210	393,082	(62,134)	0	11,526,158
31	333.4 Services	4,540,513	383,493	(117,460)	0	4,806,546
32	334.4 Meters and Meter Installations	1,157,996	61,335	0	0	1,219,331
33	335.4 Hydrants	353,456	28,815	(2,615)	0	379,656
34	336.4 Backflow Prevention Devices	19,052	3,586	(3,094)	0	19,544
35	339.4 Other Plant and Miscellaneous Equipment	1,457	0	0	0	1,457
36	Total Transmission and Distribution Plant	22,733,219	1,952,702	(294,603)	0	24,391,318
37	.5 GENERAL PLANT					
38	303.5 Land and Land Rights	567,867	(980)	0	0	566,887
39	304.5 Structures and Improvements	841,388	39,525	(2,692)	0	878,221
40	340.5 Office Furniture and Equipment	4,212,978	34,661	0	0	4,247,638
41	341.5 Transportation Equipment	1,381,240	57,111	0	0	1,438,351
42	342.5 Stores Equipment	0	0	0	0	0
43	343.5 Tools, Shop and Garage Equipment	577,907	1,792	0	0	579,699
44	344.5 Laboratory Equipment	125,086	1,252	(318)	0	126,020
45	345.5 Power Operated Equipment	1,391	688	0	0	2,079
46	346.5 Communication Equipment	211,761	253	0	0	212,014
47	347.5 Miscellaneous Equipment	15,629	0	0	0	15,629
48	348.5 Other Tangible Plant	18,922	0	0	0	18,922
49	Total General Plant	7,954,168	134,302	(3,010)	0	8,085,460
50	101 TOTAL UTILITY PLANT-IN-SERVICE	43,814,050	2,535,103	(399,157)	0	45,949,997

(Company Name)

Schedule 202. ACCUMULATED DEPRECIATION OF UTILITY PLANT-IN-SERVICE
Account No. 108.1

Report below an analysis of the changes in accumulated depreciation during the year for each plant category.

Line No.	Depreciated Property Item (a)	Previous Year-End Balance (b)	Credits		Debits		Current Year-End Balance (g)
			Depreciation Expense (c)	Salvage and Other Credits (d)	Plant Retired (e)	Cost of Removal and Other Debits (f)	
1	301 Organization	81,300	4,477		-	(8,953)	76,823
2	302 Franchises	(25,974)	893		-	(1,787)	(26,867)
3	303 Land & Land Rights	-			-	-	-
4	304 Structures and Improvements	(745,143)	83,350		(14,725)	(147,417)	(823,936)
5	305 Collecting and Impounding Reservoirs	-	-		-	-	-
6	306 Lake, River, and Other Intakes	-	-		-	-	-
7	307 Wells and Springs	(272,924)	43,096		(13,119)	(59,954)	(302,901)
8	308 Infiltration Galleries and Tunnels	-	-		-	-	-
9	309 Supply Mains	(41,541)	9,675		-	(19,351)	(51,216)
10	310 Power Generation Equipment	-	-		-	-	-
11	311 Pumping Equipment	(43,950)	54,460		(71,202)	33,486	(27,207)
12	320 Water Treatment Equipment	(167,733)	32,062		(5,856)	(52,412)	(193,939)
13	330 Distribution Reservoirs and Standpipes	(113,764)	88,652		(108,633)	39,962	(93,783)
14	331 Transmission and Distribution Mains	(2,576,754)	173,323		(62,134)	(222,379)	(2,687,944)
15	333 Services	(45,500)	72,544		(117,460)	89,833	(583)
16	334 Meters and Meter Installations	(284,177)	19,022		-	(38,044)	(303,199)
17	335 Hydrants	(51,708)	5,458		(2,615)	(5,686)	(54,551)
18	336 Backflow Prevention Devices	915	419		(3,094)	5,351	3,591
19	339 Other Plant and Misc. Equipment	(4,291)	297		-	(593)	(4,587)
20	340 Office Furniture and Equipment	(3,669,794)	222,710		-	(296,818)	(3,743,902)
21	341 Transportation Equipment	(1,215,002)	153,036		-	(63,568)	(1,125,534)
22	342 Stores Equipment	-	-		-	-	-
23	343 Tools, Shop, and Garage Equipment	(287,246)	9,091		-	(18,200)	(296,355)
24	344 Laboratory Equipment	(38,273)	1,958		(318)	(3,280)	(39,913)
25	345 Power Operated Equipment	471	30		-	(60)	440
26	346 Communication Equipment	(83,929)	6,039		-	(12,721)	(90,611)
27	347 Miscellaneous Equipment	(1,884)	648		-	(1,296)	(2,532)
28	348 Other Tangible Plant	(2,443)	949		-	(1,897)	(3,391)
29	TOTAL ACCUMULATED DEPRECIATION OF UTILITY PLANT-IN-SERVICE	(9,589,342)	982,187	-	(399,157)	(785,785)	(9,792,097)

CAROLINA WATER SERVICES INC.

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Schedule 203. UTILITY PLANT ACQUISITION ADJUSTMENT
Account Nos. 114 and 115

Line No.	Description (a)	Amount (b)
1	Net Plant Book Value	
2	Less: Net Contributions	
3	Total Net Utility Plant Acquired	
4	Less: Purchase Price	
5	Total Utility Plant Acquisition Adjustment (Account No. 114)	(773,253)
6	Less: Accumulated Amortization of Utility Plant Acquisition (Account No. 115)	(5,829)
7	TOTAL NET UTILITY PLANT ACQUISITION ADJUSTMENT	(779,082)

Schedule 204. STATEMENT OF RETAINED EARNINGS
Account Nos. 214 and 215

Line No.	Account Number and Title (a)	Amount (b)
8	APPROPRIATED RETAINED EARNINGS	
9	Beginning of Year Balance	-
10	436 Appropriations of Retained Earnings	
11	437 Dividends Declared - Preferred Stock	
12	438 Dividends Declared - Common Stock	
13	214 TOTAL APPROPRIATED RETAINED EARNINGS	
14	UNAPPROPRIATED RETAINED EARNINGS	
1	Beginning of Year Balance	5,859,835
15	435 Balance Transferred from Income (Schedule 300)	139,038
2	439 Adjustments to Retained Earnings (per Waste Water report)	1,784,697
2	439 Adjustments to Retained Earnings (per Revision)	
16	215 TOTAL UNAPPROPRIATED RETAINED EARNINGS	7,783,570
17	TOTAL RETAINED EARNINGS	7,783,570

Notes:

CAROLINA WATER SERVICES INC.**FOR THE YEAR ENDED 2016**

(Company Name)

Schedule 205. LONG-TERM DEBT - Account Nos. 221, 222, and 224
(Excluding Advances from Associated Companies)

Give below the particulars indicated of the long-term debt at end of year represented by unmatured obligations issued or assumed by the Company and group entries according to accounts and show the total for each account.

Line No.	Class and Series of Obligations (a)	Date of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding Per Balance Sheet (e)	Interest For Year	
						% Rate (f)	Amount (g)
1							
2							
3							
4							
5							
6							
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24							
25							
26							
27							
28							
29							
30							
31	TOTAL LONG-TERM DEBT						

Schedule 206. CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)
Account No. 271

Line No.	Description (a)	Amount (b)
1	Beginning of Year Balance	10,211,614
2	Credits Added During the Year:	
3	Contributions Received from Capacity, Main Extensions and Customer Connection Charges	253,670
4	Contributions Received from Developer or Contract Agreements in cash or property	800
5	Total Credits	
6	Less: Debits Charged During the Year	
7	TOTAL CONTRIBUTIONS IN AID OF CONSTRUCTION	10,466,084

Schedule 207. ACCUMULATED AMORTIZATION OF CIAC
Account No. 272

Line No.	Description (a)	Amount (b)
8	Beginning of Year Balance	1,844,008
9	Debits Charged During the Year: Accruals Charged to Account 272	154,755
10	Other Debits Charged During the Year (specify):	
11		
12		
13		
14	Total Debits	
15	Credits Added During the Year (specify):	
16		
17		
18		
19	Total Credits	
20	TOTAL ACCUMULATED AMORTIZATION OF CIAC	1,998,763

21	TOTAL NET CONTRIBUTIONS IN AID OF CONSTRUCTION	8,467,321
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**Schedule 300. INCOME STATEMENT
REVENUES AND EXPENSES**

Line No.	Account Number and Title (a)	Current Year-End Balance (b)
1	UTILITY OPERATING INCOME	
2	400 Total Utility Operating Revenues (Schedule 301)	10,738,321
3	UTILITY OPERATING EXPENSES	
4	401 Operating Expenses (Schedule 302)	6,728,445
5	403 Depreciation Expenses (Schedule 303)	982,187
6	406 Amortization of Utility Plant Acquisition Adjustments	
7	407.1 Amortization of Limited Term Plant	
8	407.2 Amortization of Property Losses	
9	407.3 Amortization of Other Utility Plant	(166,694)
10	407.4 Amortization of Regulatory Assets	
11	407.5 Amortization of Regulatory Liabilities	
12	408.10 Utility Regulatory Assessment Fee	
13	408.11 Property Taxes	1,237,738
14	408.12 Payroll Taxes	125,689
15	408.13 Other Taxes and Licenses	103,749
16	409.10 Federal Income Taxes, Utility Operating Income	(1,946)
17	409.11 State Income Taxes, Utility Operating Income	3
18	409.12 Local Income Taxes, Utility Operating Income	
19	410.10 Deferred Federal Income Taxes	583,198
20	410.11 Deferred State Income Taxes	96,125
21	410.12 Deferred Local Income Taxes	
22	411.10 Provision for Deferred Income Taxes - Credit, Utility Operating Income	
23	412.10 Investment Tax Credits Deferred to Future Periods, Utility Operations	
24	412.11 Investment Tax Credits, Restored to Operating income, Utility Operations	(4,789)
25	Total Utility Operating Expenses	9,683,704
26	TOTAL NET UTILITY OPERATING INCOME (LOSS)	1,054,618
27	OTHER OPERATING INCOME (LOSS)	
28	413 Income from Utility Plant Leased to Others	
29	414 Gains (Losses) from Disposition of Utility Property	0
30	Total Other Operating Income (Loss)	0
31	OTHER INCOME AND DEDUCTIONS	
32	415 Revenues from Merchandising, Jobbing and Contract Work	
33	416 Costs and Expenses of Merchandising, Jobbing and Contract Work	
34	419 Interest and Dividend Income	
35	420 Allowance for Funds Used During Construction (AFUDC)	
36	421 Non-Utility Income	
37	426 Miscellaneous Non-Utility Expenses	
38	TOTAL OTHER INCOME AND DEDUCTIONS	

Schedule 300. INCOME STATEMENT (Continued)
REVENUES AND EXPENSES

Line No.	Account Number and Title (a)	Current Year-End Balance (b)
1	TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS	
2	408.20 Taxes Other Than Income, Other Income and Deductions	
3	409.20 Income Taxes, Other Income and Deductions	
4	410.20 Provision for Deferred Income Taxes, Other Income and Deductions	
5	411.20 Provisions for Deferred Income Taxes, Credit, Other Income and Deductions	
6	412.20 Investment Tax Credits, Net, Non-Utility Operations	
7	412.30 Investment Tax Credits Restored to Non-Operating Income, Utility Operations	
8	TOTAL TAXES APPLICABLE TO OTHER INCOME AND DEDUC.	0
9	INTEREST EXPENSE	
10	427.1 Interest on Debt to Associated Companies	
11	427.2 Interest on Short-Term Debt	
12	427.3 Interest on Long-Term Debt	
13	427.4 Interest on Customer Deposits	
14	427.5 Interest - Other	915,580
15	428 Amortization of Debt Discount and Expense	
16	429 Amortization of Premium on Debt	
17	TOTAL INTEREST EXPENSE	915,580
18	EXTRAORDINARY ITEMS	
19	433 Extraordinary Income	
20	434 Extraordinary Deductions	
21	409.30 Income Taxes, Extraordinary Items	
22	TOTAL EXTRAORDINARY ITEMS	0
23	NET INCOME (LOSS)	139,038

Schedule 301. OPERATING REVENUES**Account No. 400**

Line No.	Account Number and Title (a)	Current Year-End Balance (b)	Average Number of Customers (c)	Gallons of Water Sold (000)omited (f)
1	WATER SALES REVENUE			
2	460 Unmetered Water Revenue			
3	460.1 Residential Customers			
4	460.2 Commercial Customers			
5	460.3 Industrial Customers			
6	460.4 Public Authorities			
7	460.5 Multiple Family Dwellings			
8	Total Unmetered Water Revenue	0	0	0
9	461 Metered Water Revenue			
10	461.1 Residential Customers	10,572,920	14,906	
11	461.2 Commercial Customers			
12	461.3 Industrial Customers			
13	461.4 Public Authorities			
14	461.5 Multiple Family Dwellings			
15	Total Metered Water Revenue	10,572,920	14,906	0
16	462 Fire Protection Revenue			
17	462.1 Public Fire Protection			
18	462.2 Private Fire Protection			
19	464 Other Sales to Public Authorities			
20	466 Sales for Resale			
21	467 Interdepartmental Sales			
22	TOTAL WATER SALES REVENUES	0	0	0
23	OTHER WATER REVENUES			
24	469 Guaranteed Revenues			
25	470 Forfeited Discounts	60,329		
26	471 Miscellaneous Service Revenues			
27	472 Rents from Water Property			
28	473 Interdepartmental Rents			
29	474 Other Water Revenues	105,072		
30	TOTAL OTHER WATER REVENUES	165,401		
31	400 TOTAL OPERATING REVENUES	10,738,321		

CAROLINA WATER SERVICES INC.
(Company Name)

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**Schedule 302. OPERATING EXPENSES
OPERATION AND MAINTENANCE
Account No. 401**

Line No.	Account Number and Title (a)	Current Year- End Balance (b)
1	SOURCE OF SUPPLY EXPENSES	
2	601 Salaries and Wages - Employees	
3	610 Purchased Water	2,344,392
4	615 Purchased Power	
5	616 Fuel for Power Production	
6	618 Chemicals	
7	620 Materials and Supplies	
8	631 Contractual Services - Engineering	
9	632 Contractual Services - Accounting	
10	633 Contractual Services - Legal	
11	634 Contractual Services - Management Fees	
12	635 Contractual Services - Testing	
13	636 Contractual Services - Other	
14	641 Rental of Building/Real Property	
15	642 Rental of Equipment	
16	650 Transportation Expenses	
17	658 Insurance - Workman's Compensation	
18	668 Water Resource Conservation Expense	
19	675 Miscellaneous Expenses	
20	TOTAL SOURCE OF SUPPLY EXPENSES	2,344,392

21	WATER TREATMENT EXPENSES	
22	601 Salaries and Wages - Employees	1,629,122
23	615 Purchased Power	283,139
24	616 Fuel for Power Production	
25	618 Chemicals	224,755
26	620 Materials and Supplies	
27	631 Contractual Services - Engineering	
28	632 Contractual Services - Accounting	
29	633 Contractual Services - Legal	
30	634 Contractual Services - Management Fees	
31	635 Contractual Services - Testing	
32	636 Contractual Services - Other	
33	641 Rental of Building/Real Property	
34	642 Rental of Equipment	
35	650 Transportation Expenses	
36	658 Insurance - Workman's Compensation	
37	675 Miscellaneous Expenses	
38	TOTAL WATER TREATMENT EXPENSES	2,137,015

Schedule 302. OPERATING EXPENSES (Continued)
OPERATION AND MAINTENANCE
Account No. 401

Line No.	Account Number and Title (a)	Current Year- End Balance (b)
1	TRANSMISSION AND DISTRIBUTION EXPENSES	
2	601 Salaries and Wages - Employees	
3	615 Purchased Power	
4	616 Fuel for Power Production	
5	618 Chemicals	
6	620 Materials and Supplies	450,195
7	631 Contractual Services - Engineering	
8	632 Contractual Services - Accounting	
9	633 Contractual Services - Legal	
10	634 Contractual Services - Management Fees	
11	635 Contractual Services - Testing	152,790
12	636 Contractual Services - Other	
13	641 Rental of Building/Real Property	
14	642 Rental of Equipment	
15	650 Transportation Expenses	107,429
16	658 Insurance - Workman's Compensation	
17	675 Miscellaneous Expenses	182,636
18	TOTAL TRANSMISSION AND DISTRIBUTION	893,049
19	TOTAL OPERATION AND MAINTENANCE EXPENSES	5,374,456

CAROLINA WATER SERVICES INC.
(Company Name)

FOR THE YEAR ENDED 2016

Schedule 302. OPERATING EXPENSES (Continued)
CUSTOMER AND ADMINISTRATIVE AND GENERAL
Account No. 401

Line No.	Account Number and Title (a)	Current Year- End Balance (b)
1	CUSTOMER ACCOUNTS	
2	601 Salaries and Wages - Employees	
3	615 Purchased Power	
4	616 Fuel for Power Production	
5	620 Materials and Supplies	
6	631 Contractual Services - Engineering	
7	632 Contractual Services - Accounting	
8	633 Contractual Services - Legal	
9	634 Contractual Services - Management Fees	
10	635 Contractual Services - Testing	
11	636 Contractual Services - Other	
12	641 Rental of Building/Real Property	
13	642 Rental of Equipment	
14	650 Transportation Expenses	
15	658 Insurance - Workman's Compensation	
16	670 Bad Debt Expense	153,386
17	675 Miscellaneous Expenses	120,030
18	TOTAL CUSTOMER ACCOUNTS	273,416
19	ADMINISTRATIVE AND GENERAL EXPENSES	
20	601 Salaries and Wages - Employees	(266,096)
21	603 Salaries and Wages - Officers, Directors, and Majority Stockholders	
22	604 Employee Pension and Benefits	349,269
23	615 Purchased Power	
24	616 Fuel for Power Production	
25	620 Materials and Supplies	391,610
26	631 Contractual Services - Engineering	3,647
27	632 Contractual Services - Accounting	41,898
28	633 Contractual Services - Legal	55,001
29	634 Contractual Services - Management Fees	
30	635 Contractual Services - Testing	
31	636 Contractual Services - Other	102,313
32	641 Rental of Building/Real Property	13,288
33	642 Rental of Equipment	
34	650 Transportation Expenses	
35	656 Insurance - Vehicle	
36	657 Insurance - General Liability	
37	658 Insurance - Workman's Compensation	
38	659 Insurance - Other	173,691
39	660 Advertising Expense	
40	666 Regulatory Commission Expenses- Amort. Of Rate Case Exp.	
41	667 Regulatory Commission Expenses- Other	164,425
42	675 Miscellaneous Expenses	51,527
43	TOTAL ADMINISTRATIVE AND GENERAL	1,080,572
44	401 TOTAL OPERATING EXPENSES	6,728,445

CAROLINA WATER SERVICES INC.

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(Company Name)

**Schedule 303. BASIS FOR DEPRECIATION CHARGES BY
PRIMARY ACCOUNTS
Account No. 403**

Line No.	Description of Property (a)	Original Cost (b)	Approved Depreciation Rates * (c)	Annual Depreciation (d)
1	301 Organization	298,430	1.50%	4,477
2	302 Franchises	59,551	1.50%	893
3	303 Land & Land Rights	596,914	0.00%	0
4	304 Structures and Improvements	5,650,996	1.50%	83,350
5	305 Collecting and Impounding Reservoirs	0	1.50%	0
6	306 Lake, River, and Other Intakes	0	1.50%	0
7	307 Wells and Springs	2,791,056	1.50%	43,096
8	308 Infiltration Galleries and Tunnels	0	1.50%	0
9	309 Supply Mains	618,384	1.50%	9,675
10	310 Power Generation Equipment	0	1.50%	0
11	311 Pumping Equipment	3,613,261	1.50%	54,460
12	320 Water Treatment Equipment	1,767,390	1.50%	32,062
13	330 Distribution Reservoirs and Standpipes	5,953,975	1.50%	88,652
14	331 Transmission and Distribution Mains	11,526,158	1.50%	173,323
15	333 Services	4,806,546	1.50%	72,544
16	334 Meters and Meter Installations	1,219,331	1.50%	19,022
17	335 Hydrants	379,656	1.50%	5,458
18	336 Backflow Prevention Devices	19,544	1.50%	419
19	339 Other Plant and Misc. Equipment	8,452	1.50%	297
20	340 Office Furniture and Equipment	4,247,638	1.50%	222,710
21	341 Transportation Equipment	1,438,351	20.00%	153,036
22	342 Stores Equipment	0	1.50%	0
23	343 Tools, Shop, and Garage Equipment	579,699	1.50%	9,091
24	344 Laboratory Equipment	126,020	1.50%	1,958
25	345 Power Operated Equipment	2,079	1.50%	30
26	346 Communication Equipment	212,014	1.50%	6,039
27	347 Miscellaneous Equipment	15,629	1.50%	648
28	348 Other Tangible Plant	18,922	1.50%	949
29	TOTALS	45,949,997		982,187

* Use Straight-line depreciation rates as approved by the Commission.
Do not use Tax Depreciation Rates.

WASTEWATER UTILITY ANNUAL REPORT OF

CAROLINA WATER SERVICES INC.

Exact Legal Name of Respondent

PSC/ORS Number (leave blank)

FOR THE YEAR ENDED 2016

☒ Calendar Year Ending December 31, 2016

or

☐ Fiscal Year Ending _____

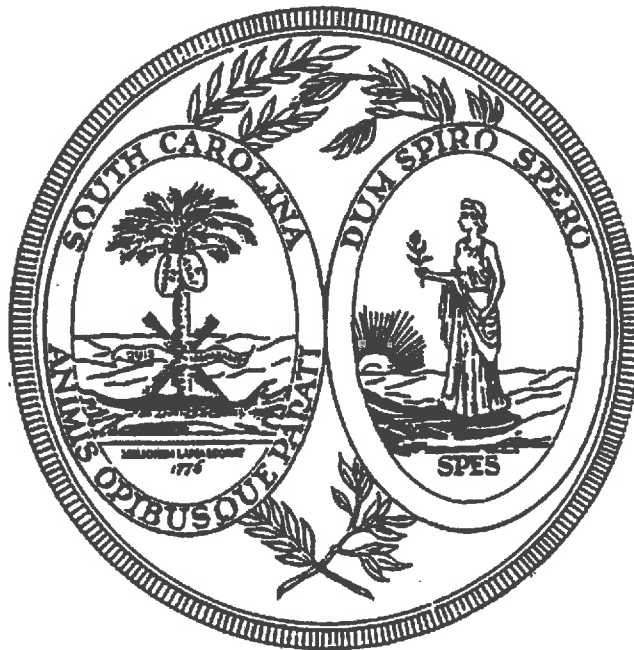


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GENERAL INSTRUCTIONS

1. All water utilities are required by state law to complete and file this annual report. Two copies should be mailed to the South Carolina Office of Regulatory Staff, 1401 Main Street, Ste. 900, Columbia, SC 29201 by April 1, 2017. A third copy should be retained by the company for reference. Upon receipt, the Office of Regulatory Staff will forward one copy to the Public Service Commission of South Carolina. Filing two copies with the Office of Regulatory Staff will satisfy the utility's responsibility for submitting an annual report as required pursuant to Commission regulations. Pencil entries will not be permitted on the hard copy.
2. All forms are available in PDF filable format on the Office of Regulatory Staff web site at www.regulatorystaff.sc.gov. An Excel form is available via email.
3. Respond to each item using "0", "none", or "not applicable" as appropriate.
4. Requests for extension must be in writing to the Office of Regulatory Staff. Extension requests postmarked after April 1, 2017 will be denied.
5. All accounting terms and phrases used in this report are to be interpreted in accordance with the effective applicable Uniform System of Accounts prescribed by this Commission, as set forth in S.C. Code Ann. Section 58-5-220 and Commission regulation 103-520.
6. Standard accounting procedures will apply in determining the nature of any entry (e.g. entries of a reverse character will be indicated by a parentheses around the number).
7. The report will be filed consisting of data relative to a calendar year basis or the company's fiscal year, but not both.
8. If this report is made for a period less than the calendar year or fiscal year, the period covered must be clearly stated on the front cover and elsewhere throughout the report where it is necessary to include the period covered. When operations cease during the year because of the disposition of property, the balance sheet and supporting schedules should consist of balances and items immediately prior to transfer (for accounting purposes).
9. All instructions should be followed and each question should be answered fully and accurately. Sufficient answers are those in which no question or schedule has been overlooked. The expression "none" or "not applicable" should be given as the answer to any particular inquiry or schedule where it truly and completely states the fact. Unless otherwise indicated, no information will be accepted which incorporates by reference information from another document or report. In any instance where information called for is not given, the reason for its omission should be stated fully.
10. Dates, when called for, should include the day, month and year. Customary abbreviations may be used in stating dates.
11. Whenever schedules call for comparison of figures of a previous year, the figures reported must be based upon those shown by the annual report of the previous year; otherwise, an appropriate explanation of why different figures were used should be given.
12. One copy of the respondent's latest corporate annual report, if issued, should be submitted with this report. If the respondent is a member of a group, both the parent and subsidiary's corporate annual report should be submitted.

**GENERAL INSTRUCTIONS
(Continued)**

13. Throughout this report, money items will be rounded to the nearest dollar.
14. Failure to comply with the submission of the annual report may result in fines and/or loss of certification.
15. Separate notification is required for changes in company information -- i.e. name, address, telephone number, contact names, sale or purchase of Company, corporate structure.
16. Do not fold forms.
17. Contact the Office of Regulatory Staff at (803) 737-0800 if you have questions about this form or the requirements for a water or wastewater utility.

(Company Name)

Schedule 100. IMPORTANT CHANGES DURING THE YEAR

Provide written responses for each of the items listed below. Make the written statements clear and brief. A response must be given for each item. However, if the word "none" is an accurate response, it may be used as such. Similarly, if information is given elsewhere in the report which would serve as a response to an item, reference that information in the space provided.

1. Have you had changes or additions to franchise rights? If so, describe (a) the actual payment given in exchange for the franchise rights, and (b) from whom acquired. If acquired without payment, state that fact.

No

2. Have any of the following occurred -- acquisition of other companies, or reorganization, merger or consolidation with other companies? If so, give names of companies involved, details concerning the transactions, and reference to Commission authorization, including docket numbers.

No

3. Have any of the following occurred -- purchase or sale of operating units, such as sources, treatment and storage facilities, transmission and distribution systems, or similar occurrences? If so, specify items, parties, effective dates and also reference the Commission authorization, including docket numbers.

No

4. Have any leaseholds been acquired, given, assigned, or surrendered? If so, give the effective dates, lengths of terms, names of parties, rents, Commission authorization, (docket numbers), if any, and other conditions.

No

5. Have there been any extensions of service territories? If so, include the Commission authorization (docket numbers), that give the location of the new service territory covered by distribution system and the dates of beginning operations. Give the number of customers by class; for each class, give the number of customers estimated with regard to annual revenues for the new territories.

No

6. What is the estimated increase or decrease in annual revenues due to rate changes, (cite docket numbers), and the approximate extent to which the increase or decrease is reflected in revenues for the reporting year?

Rate case Docket No. 2015-199-WS resulted in approximately \$1,635,404 increase reflected in revenues for the reporting year.

7. Have there been any wage scale changes? If so, show the dates of changes, the effect on operating expenses for the year, and estimated annual effect of the wage scale changes on operating expenses.

April 2016 Raises were average 3.0%

8. Have there been any obligations incurred or assumed by you, the respondent, as guarantor for the performance by another of any agreement or obligation -- excluding ordinary corporate bonds maturing on demand or not later than one year after date of issue? If so, give the Commission authorization, (docket number), if any.

No

9. Have there been any changes in articles of incorporation or amendments to charters? If so, explain the nature and purpose of these changes or amendments. Note any filing with the Commission.

No

10. Other changes not provided for elsewhere.

None

Schedule 110. DEFINITIONS

“Accounts” means the accounts prescribed in the NARUC Uniform System of Accounts.

“Amortization” means the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, which may be over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

“Associated Companies” means companies or persons that, directly or indirectly, through one or more intermediaries, control, or are controlled by, or are under common control with, the accounting company.

“Book Cost” means the amount at which property is recorded in the applicable account without deduction of related provisions for accrued depreciation, amortization, or for other purposes.

“Class A” for wastewater utilities means a utility having annual wastewater operating revenues of \$1,000,000 or more.

“Class B” for wastewater utilities means a utility having annual wastewater operating revenues of \$200,000 or more but less than \$1,000,000.

“Class C” for wastewater utilities means a utility having annual wastewater operating revenues of less than \$200,000.

“Control” (including the terms; “controlling,” “controlled by,” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers, or stockholders, voting trusts, holding trusts, affiliated companies, contract or any other direct or indirect means.

“Cost” means the amount of money actually paid for property or service. When the consideration given is other than cash, the value of such consideration shall be determined on a cash basis.

“Cost of Removal” means the cost of demolishing, dismantling, tearing down or otherwise removing utility plant, including the cost of transportation and handling incidental thereto.

“Debt Expense” means all expenses in connection with the issuance and initial sale of evidences of debt, such as fees for drafting mortgages and trust deeds; fees and taxes for issuing or recording evidences of debt; cost of engraving and printing bonds and certificates of indebtedness; fees paid trustees; specific costs of obtaining governmental authority; fees for legal services; fees and commissions paid underwriters, brokers, and salesmen or marketing such evidences of debt; fees and expenses of listing on exchanges; and other like costs.

Schedule 110. DEFINITIONS (Continued)

“Depreciation”, as applied to depreciable utility plant, means the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of the utility plant in the course of providing service. This includes causes which are known to be in current operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand, and requirements of regulatory bodies.

“Discount”, as applied to the securities or assumed by the utility, means the excess of the par (stated value of no-par stocks) or face value of the securities plus interest or dividends accrued at the date of the sale over the cash value of the consideration received from their sale.

“Distribution Mains” means any pipes whose primary purpose is to distribute treated water throughout a community, and whose components include arterial or primary feeders, secondary feeders, and the distribution grid works.

“Investment Advances” means advances, represented by notes or by book accounts only, with respect to which it is mutually agreed or intended between the creditor and debtor that they shall be settled by the issuance of securities or shall not be subject to current settlement.

“Minor Items of Property” means the associated parts or items of which retirement units are composed.

“Multiple Family Dwelling” means a residential structure or group of structures which is capable of separately housing more than one family unit.

“Net Salvage Value” means the salvage value of property retired less the cost of removal.

“Nominally Issued”, as applied to securities issued or assumed by the utility, means those which have been signed, certified, or otherwise executed, and placed with the proper officer for sale and delivery, or pledged, or otherwise placed in some special fund of the utility, but which have not been sold, or issued directly to trustees of sinking funds in accordance with contractual requirements.

“Premium”, as applied to the securities issued or assumed by the utility, means the excess of the cash value of the consideration received from their sale over the sum of their par (stated value of no-par stock) or face value and interest or dividends accrued at the date of sale.

“Original Cost”, as applied to utility plant, means the cost of such property to the person first devoting it to public service.

“Property Retired”, as applied to utility plant, means property which has been removed, sold, abandoned, destroyed, or which for any cause has been permanently withdrawn from service.

“Reclaimed Water” means water that has received at least secondary treatment and basic disinfection and is reused after flowing out of a wastewater treatment plant.

Schedule 110. DEFINITIONS (Continued)

“Replacing or Replacement”, when not otherwise indicated in the context, means the construction or installation of utility plant in place of property retired, together with the removal of the property retired.

“Retained Earnings” means the accumulated net income of the utility less distributions to stockholders and transfers to other capital accounts, and other adjustments.

“Reuse” means the deliberate application of reclaimed water, in compliance with Federal and State environmental rules and regulations, for a beneficial purpose.

“Salvage Value” means the amount received for property retired, less any expenses incurred in connection with the sale or in preparing the property for sale, or, if retained, the amount at which the material recoverable is chargeable to materials and supplies, or other appropriate account.

“Straight-Line Remaining Life Method”, as applied to depreciation accounting, means the plan under which the service value of property is charged to operating expenses (and to clearing accounts if used), and (accounts if used), and credited to the accumulated depreciation account through equal annual changes during its service life. “Remaining Life” implies that estimates of the future life and salvage shall be reexamined periodically and that depreciation rates will be corrected to reflect any changes in these estimates.

“Supply Main” means any main, pipe, or aqueduct or canal whose primary purpose is to convey raw untreated water from one unit to another unit in the source of supply and pumping plant, and to the water treatment equipment.

“Transmission Main” means any pipes whose primary purpose is to convey treated water from the water treatment equipment or pumping station to the distribution system serving a community and generally provides no service connections with customers.

“Utility”, as used herein and when not otherwise indicated in the context, means any public utility to which the uniform system of accounts is applicable.

CAROLINA WATER SERVICES INC.**FOR THE YEAR ENDED 2016**

(Company Name)

Schedule 120. EXECUTIVE SUMMARY**1. IDENTIFICATION (legal title)**

PSC/ORS No.	_____ (leave blank)		Federal ID No.:	36-2750548
Check				
Business Structure & Indicate Date	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Corporation	
Name of Company:	Carolina Water Service Inc.			
Doing Business As:	Carolina Water Service Inc.			
Street Address:	2335 Sanders Road			
City:	Northbrook	State:	IL	Zip Code: 60062
Mailing Address:	(same as above)			
City:		State:		Zip Code:
Telephone No. (Include Area Code):	(847) 498-6440			

(a) State whether any change was made in the name of the respondent during the year. If so, state the changes and the dates when they were made.

NO

(b) State whether the respondent is a firm or partnership. If a partnership, give the names of the partners and the proportion of their respective interests.

NO

(c) State the kinds of business, other than Water Utility, in which the respondent was engaged at any time during the year. If none, state that fact.

(d) Give the names and office addresses of the Board of Directors, if any, of the respondent at the close of the year, as well as the dates of expiration of their respective terms. If any person abandoned, resigned from, or was removed from a directorship during the year, give full details in a footnote. If the organization was a partnership, give the names of the partners and designate them as such.

Name of Director	Office Address	Term Begins	Term Ends
Lisa A. Sparrow	2335 Sanders Rd Northbrook, IL		
Dietz Kellmann			
Kevin Meagher			
Kenneth Morrison			

CAROLINA WATER SERVICES INC.

FOR THE YEAR ENDED 2016

(Company Name)

Schedule 120. EXECUTIVE SUMMARY (Continued)

(e) Give the titles of all officers of the respondent at the close of the year, the names of persons holding the offices at year end, and the date when each originally assumed the duties of the office. If any person abandoned, resigned from, or was ousted from any office during the year, give full details in a footnote.

Title of Officer	Name of Person Holding Office	Office Address	Date of Entry
President	Rick Durham	150 Foster Brothers Drive West Columbia, SC	3/10/14
Vice President	Bob Gilroy	150 Foster Brothers Drive West Columbia, SC	3/10/14
Vice President & Secretary	John R. Stover	2335 Sanders Rd. Northbrook, IL	3/10/14
Assistant Secretary	Debra A. Plumb	2335 Sanders Rd. Northbrook, IL	3/10/14
Assistant Secretary	Cheryl Hsu	2335 Sanders Rd. Northbrook, IL	3/10/14
Treasurer	Jim Andrejko	2335 Sanders Rd. Northbrook, IL	3/10/14

(f) Give the date of incorporation of respondent and the name of the state or territory under whose laws the incorporation was organized. Carolina Water Services Inc. was incorporated on 8/28/1972, and was incorporated under the state of Delaware.

2. CONTACT (for purpose of this report)

Contact Name:	<u>Robert Hunter</u>		
Title:	<u>Financial Planning & Analysis Manager</u>	Telephone:	<u>(847) 897-6502</u>
Email Address:	<u>rmhunter@uiwater.com</u>	Fax No.:	<u>(803) 791-8643</u>

3. MAILING ADDRESS (if different from above)

Mailing Address:	<u>150 Foster Brothers Drive</u>		
City:	<u>West Columbia</u>	State:	<u>SC</u>
		Zip Code:	<u>29172</u>

CERTIFICATION

I hereby certify that the enclosed Annual Report was prepared by me or under my supervision, that I have examined it, and that the items herein reported on the basis of my knowledge are correctly shown.

Name: <u>Robert Hunter</u>	Title: <u>Financial Planning & Analysis Manager</u>
Signature: <u>Robert Hunter</u>	Date: <u>4/20/2017</u>

CAROLINA WATER SERVICES INC.**FOR THE YEAR ENDED 2016**

(Company Name)

Schedule 130. TECHNICAL SUMMARY**GENERAL INFORMATION**Submit a copy of the Company's latest DHEC quality of service letter/report with this annual report.**PHYSICAL DESCRIPTION:**

Detailed general description of wastewater system: _____

140 Lift Stations

16 Activated Sludge WWTPs Permitted Capacity 2.4364MGD

3 Aerated Lagoons Permitted Capacity 0.96 MGD

1 Facultative Lagoon Permitted Capacity 0.12 MGD

10 Collection only systems with treatment provided by another entity

Oxidation Pond(s)? _____

If so, provide information concerning size, construction type, and year of construction. _____

Aeration Pond(s)? _____

If so, provide information concerning size, construction type, and year of construction. _____

Polishing Pond(s)? _____

If so, provide information concerning size, construction type, and year of construction. _____

Detailed general description of disposal system/method: _____

Date of construction of original plant: _____

Population for which plant was designed: _____

Plant capacity in gallons per day: _____

Average daily discharge of sewage during year (Mgal): See page 9.1Maximun daily discharge of sewage during year (Mgal): See page 9.1

[illegible]

CAROLINA WATER SERVICES INC.

†Treatment Key

1	Sodium Hypochlorite for disinfection
2	Soda Ash or caustic L.O.S for pH adjustment
3	Pot./Zinc spray for anti corrosion or metal passivation
4	Iron Fillers
5	Water Solvents
6	Radical removal
7	Abrasives removal

**Schedule 130. TECHNICAL SUMMARY
(Continued)**

Size and Description	SERVICES AND LINE TYPE			
	Owned by Utility			
	Beginning of year	Added	Retired or Abandoned	End of Year
Services in use				
Iron pipe				
PVC pipe				
Clay pipe				
Other pipe				
Total services in use				
Services not in use				
Iron pipe				
PVC pipe				
Clay pipe				
Other pipe				
Total services not in use				
Total Services				

TREATMENT:

Is wastewater treated? Yes

If so, how? Varies with each facility

Is wastewater effluent disinfected? Yes

If so, provide information about the type of agent used (liquid chlorine, etc. See page 9.1

Varies with each facility, either sodium hypochlorite, calcium hypochlorite or UV light

How frequently is an analysis made of effluent? Varies with each facility

Give results of last analysis: Copies of December 2016 DMRs are already sent to ORS offices

What is the efficiency of sewerage plant? No influent sampling required by SC DHEC . Efficiency is not calculated

CAROLINA WATER SERVICES INC.**FOR THE YEAR ENDED 2016**

(Company Name)

Schedule 130. TECHNICAL SUMMARY
(Continued)

SERVICE AREA AND CUSTOMER DATA:

Area and/or subdivisions served by wastewater system: _____

Areas of Lexington, Sumter, Richland, Greenville, Greenwood, Cherokee, Union, Beaufort, Orangeburg, _____

Georgetown, and York Counties _____

Total number of residential customers at the end of the fiscal or calendar year:	12,639
Total number of commercial customers at the end of the fiscal or calendar year:	246
Total number of industrial customers at the end of the fiscal or calendar year:	
Total number of customers at the end of the fiscal or calendar year:	12,885

Extensions of system, giving location, new territory covered and dates of beginning operations since last annual annual report submitted:

Other important changes, including new plant and equipment built or installed:

(Company Name)

**Schedule 200. BALANCE SHEET
ASSETS AND OTHER DEBITS**

Line No.	Account Number and Title (a)	Current Year-End Balance (b)
1	UTILITY PLANT	
2	101 Utility Plant in Service (Schedule 201)	52,251,662
3	102 Utility Plant Leased to Others	
4	103 Property Held for Future Use	64,242
5	104 Utility Plant Purchased or Sold	0
6	105 Construction Work in Progress	996,361
7	106 Completed Construction not Classified	
8	Total Utility Plant	53,312,265
9	ACCUMULATED DEPRECIATION	
10	108.1 Utility Plant-in-Service (Schedule 202)	(5,877,461)
11	108.2 Utility Plant Leased to Others	
12	108.3 Property Held for Future Use	
13	Total Accumulated Depreciation	(5,877,461)
14	ACCUMULATED AMORTIZATION	
15	110.1 Utility Plant in Service	
16	110.2 Utility Plant Leased to Others	
17	Total Accumulated Amortization	0
18	UTILITY PLANT ADJUSTMENTS	
19	114 Utility Plant Acquisition (Schedule 203)	(345,936)
20	115 Accumulated Amortization of Utility Plant Acquisition (Schedule 203)	220,972
21	116 Other Utility Plant	
22	Total Utility Plant Adjustments	(124,963)
23	TOTAL NET UTILITY PLANT	47,309,841
24	OTHER PROPERTY AND INVESTMENTS	
25	OTHER PROPERTY	
26	121 Non-Utility Property	
27	122 Accumulated Depreciation and Amortization of Non-Utility Property	
28	Total Other Property	0
29	INVESTMENTS	
30	123 Investments in Associated Companies	
31	124 Utility Investments	
32	125 Other Investments	
33	126 Sinking Funds	
34	127 Other Special Funds	
35	Total Investments	0
36	TOTAL OTHER PROPERTY AND INVESTMENTS	47,309,841

(Company Name)

Schedule 200. BALANCE SHEET (Continued)
ASSETS AND OTHER DEBITS

Line No.	Account Number and Title (a)	Current Year-End Balance (b)
1	CURRENT AND ACCRUED ASSETS	
2	131.1 Cash on Hand	
3	131.2 Cash in Bank	418
4	132 Special Deposits (Interest and/or Dividends)	0
5	133 Other Special Deposits	
6	134 Working Funds	
7	135 Temporary Cash Investments	
8	141 Customer Accounts Receivable	0
9	142 Other Accounts Receivable	0
10	143 Accumulated Provision for Uncollectible Accounts-Credit	0
11	144 Notes Receivable	
12	145 Accounts Receivable from Associated Companies	
13	146 Notes Receivable from Associated Companies	
14	151 Plant Material and Supplies	
15	152 Merchandise	
16	153 Other Material and Supplies	
17	161 Stores Expense	
18	162 Prepayments	28,489
19	171 Accrued Interest and Dividends Receivable	
20	172 Rents Receivable	
21	173 Accrued Utility Revenues	
22	174 Miscellaneous Current and Accrued Assets	
23	TOTAL CURRENT AND ACCRUED ASSETS	28,906
24	DEFERRED DEBITS	
25	181 Unamortized Debt Discount and Expense	
26	182 Extraordinary Property Losses	
27	183 Preliminary Survey and Investigation Charges	
28	184 Clearing Accounts	
29	185 Temporary Facilities	
30	186.1 Deferred Rate Case Expense	
31	186.2 Other Deferred Debits	129,152
32	186.3 Regulatory Assets	
33	187 Research and Development Expenditures	
34	190.1 Accumulated Deferred Federal Income Taxes	
35	190.2 Accumulated Deferred State Income Taxes	
36	190.3 Accumulated Deferred Local Income Taxes	
37	TOTAL DEFERRED DEBITS	129,152
38	TOTAL ASSETS AND OTHER DEBITS	47,467,900

CAROLINA WATER SERVICES INC.**FOR THE YEAR ENDED 2016**

(Company Name)

Schedule 200. BALANCE SHEET (Continued)
EQUITY CAPITAL AND LIABILITIES

Line No.	Account Number and Title (a)	Current Year-End Balance (b)
1	EQUITY CAPITAL	
2	201 Common Stock Issued	0
3	202 Common Stock Subscribed	
4	203 Common Stock Liability for Conversion	
5	204 Preferred Stock Issued	
6	205 Preferred Stock Subscribed	
7	206 Preferred Stock Liability for Conversion	
8	207 Premium on Capital Stock	
9	209 Reduction in Par or Stated Value of Capital Stock	
10	210 Gain on Resale or Cancellation of	
11	211 Other Paid-In Capital	0
12	212 Discount on Capital Stock	
13	213 Capital Stock Expense	
14	214 Appropriated Retained Earnings (Schedule 204)	
15	215 Unappropriated Retained Earnings (Schedule 204)	0
16	216 Reacquired Capital Stock	
17	218 Proprietary Capital (for proprietorships & partnerships only)	
18	TOTAL EQUITY CAPITAL	0
19	LONG-TERM DEBT	
20	221 Bonds (Schedule 205)	
21	222 Reacquired Bonds (Schedule 205)	
22	223 Advances from Associated Companies	
23	224 Other Long-Term Debt (Schedule 205)	
24	TOTAL LONG-TERM DEBT	
25	CURRENT AND ACCRUED LIABILITIES	
26	231 Accounts Payable	0
27	232 Notes Payable	
28	233 Accounts Payable to Associated Companies	0
29	234 Notes Payable to Associated Companies	0
30	235 Customers' Deposits-Billing	0
31	236.11 Accrued Taxes, Utility Operating Income, Taxes Other Than Income	0
32	236.12 Accrued Taxes, Utility Operating Income, Income Taxes	0
33	236.2 Accrued Taxes, Other Income and Deductions	
34	237.1 Accrued Interest on Long-Term Debt	0
35	237.2 Accrued Interest on Other Liabilities	
36	238 Accrued Dividends	
37	239 Matured Long-Term Debt	
38	240 Matured Interest	
39	241 Miscellaneous Current and Accrued Liabilities	
40	TOTAL CURRENT AND ACCRUED LIABILITIES	0

(Company Name)

Schedule 200. BALANCE SHEET (Continued)
EQUITY CAPITAL AND LIABILITIES

Line No.	Account Number and Title (a)	Current Year-End Balance (b)
1	DEFERRED CREDITS	
2	251 Unamortized Premium on Debt	
3	252 Advances for Construction	0
4	253.1 Other Deferred Credits, Regulatory Liabilities	
5	253.2 Other Deferred Credits, Other Deferred Liabilities	0
6	255.1 Accumulated Deferred Investment Tax Credits, Utility Operations	
7	255.2 Accumulated Deferred Investment Tax Credits, Non-Utility Operations	0
8	TOTAL DEFERRED CREDITS	0
9	OPERATING RESERVES	
10	261 Property Insurance Reserve	
11	262 Injuries and Damages Reserve	
12	263 Pensions and Benefits Reserve	
13	265 Miscellaneous Operating Reserve	
14	TOTAL OPERATING RESERVES	
15	CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)	
16	271 Contributions in Aid of Construction (Schedule 206)	17,023,183
17	272 Accumulated Amortization of CIAC (Schedule 207)	(4,401,500)
18	TOTAL NET CIAC	12,621,683
19	ACCUMULATED DEFERRED INCOME TAXES	
20	281 Accelerated Amortization	
21	282 Liberalized Depreciation	
22	283 Other	
23	TOTAL ACCUMULATED DEFERRED INCOME TAXES	0
24	TOTAL EQUITY CAPITAL AND LIABILITIES	12,621,683

CAROLINA WATER SERVICES INC.
(Company Name)

FOR THE YEAR ENDED 2016

Schedule 201. UTILITY PLANT-IN-SERVICE
Account No. 101

All amounts included in accounts for utility plant acquired as an operating unit or system shall be stated at a cost incurred by the person who first devoted the property to utility service.

Line No.	Account Number and Title (a)	Previous Year-End Balance (b)	Additions (c)	Retirements (d)	Adjustments +/- (e)	Current Year-End Balance (f)
1	.1 INTANGIBLE PLANT					
2	351.1 Organization	36,430	0	0	0	36,430
3	352.1 Franchises	0	0	0	0	0
4	389.1 Other Plant and Miscellaneous Equipment	2,424	0	0	0	2,424
5	Total Intangible Plant	38,853	0	0	0	38,853
6	.2 COLLECTION PLANT					
7	353.2 Land and Land Rights	664	0	0	0	664
8	354.2 Structures and Improvements	35,407	0	0	0	35,407
9	355.2 Power Generation Equipment	7,473	0	0	0	7,473
10	360.2 Collection Sewers - Force	4,774,937	49,752	(10,908)	0	4,813,781
11	361.2 Collection Sewers - Gravity	16,022,563	152,137	(18,071)	0	16,156,629
12	362.2 Special Collecting Structures	53,757	0	0	0	53,757
13	363.2 Services to Customers	1,694,833	139,969	(30,808)	0	1,803,995
14	364.2 Flow Measuring Devices	47,826	248	(302)	0	47,772
15	365.2 Flow Measuring Installations	2,044	0	0	0	2,044
16	389.2 Other Plant and Miscellaneous Equipment	3,008	0	0	0	3,008
17	Total Collection Plant	22,642,513	342,106	(60,088)	0	22,924,531
18	.3 SYSTEM PUMPING PLANT					
19	353.3 Land and Land Rights	0	0	0	0	0
20	354.3 Structures and Improvements	3,719,206	43,401	(9,910)	0	3,752,697
21	355.3 Power Generation Equipment	47,763	0	0	0	47,763
22	370.3 Receiving Wells	602	0	0	0	602
23	371.3 Pumping Equipment	2,698,060	478,949	(210,407)	0	2,966,602
24	389.3 Other Plant and Miscellaneous Equipment	43,069	890	0	0	43,959
25	Total System Pumping Plant	6,508,700	523,240	(220,317)	0	6,811,623
26	.4 TREATMENT AND DISPOSAL PLANT					
27	353.4 Land and Land Rights	0	0	0	0	0
28	354.4 Structures and Improvements	2,952,478	523,478	(5,470)	0	3,470,486
29	355.4 Power Generation Equipment	33,612	0	0	0	33,612
30	380.4 Treatment and Disposal Equipment	14,525,698	1,611,397	(247,300)	0	15,889,795
31	381.4 Plant Sewers	313,032	6,455	(3,089)	0	316,398
32	382.4 Outfall Sewer Lines	283,696	4,239	(225)	0	287,711
33	389.4 Other Plant and Miscellaneous Equipment	19,466	647	0	0	20,113
34	Total Treatment and Disposal Plant	18,127,983	2,146,217	(256,084)	0	20,018,115
35	.5 RECLAIMED WATER TREATMENT PLANT					
36	353.5 Land and Land Rights	0	0	0	0	0
37	354.5 Structures and Improvements	1,125	0	0	0	1,125
38	355.5 Power Generation Equipment	0	0	0	0	0
39	371.5 Pumping Equipment	17,934	4,577	0	0	22,512
40	374.5 Reuse Distribution Reservoirs	4,740	454	0	0	5,194
41	380.5 Treatment and Disposal Equipment	1,541	0	0	0	1,541
42	381.5 Plant Sewers	3,812	65	0	0	3,877
43	389.5 Other Plant and Miscellaneous Equipment	1,720	0	0	0	1,720
44	Total Reclaimed Water Treatment Plant	30,873	5,095	0	0	35,968

(Company Name)

Schedule 201. UTILITY PLANT-IN-SERVICE (Continued)
Account No. 101

All amounts included in accounts for utility plant acquired as an operating unit or system shall be stated at a cost incurred by the person who first devoted the property to utility service.

Line No.	Account Number and Title (a)	Previous Year-End Balance (b)	Additions (c)	Retirements (d)	Adjustments +/- (e)	Current Year-End Balance (f)
1	.6 RECLAIMED WATER DISTRIBUTION PLANT					
2	352.6 Franchises	0	0	0	0	0
3	353.6 Land and Land Rights	0	0	0	0	0
4	354.6 Structures and Improvements	24,865	87	0	0	24,952
5	355.6 Power Generation Equipment	0	0	0	0	0
6	366.6 Reuse Services	0	0	0	0	0
7	367.6 Reuse Meter and Meter Installations	0	511	0	0	511
8	371.6 Pumping Equipment	31,175	3,522	0	0	34,696
9	375.6 Reuse Transmission and Distribution System	71,307	4,168	0	0	75,475
10	389.6 Other Plant and Miscellaneous Equipment	0	0	0	0	0
11	Total Reclaimed Water Distribution Plant	127,346	8,288	0	0	135,634
12	.7 GENERAL PLANT					
13	353.7 Land and Land Rights	105,435	0	0	0	105,435
14	354.7 Structures and Improvements	1,836,548	53,733	(674)	0	1,889,608
15	390.7 Office Furniture and Equipment	4,545	0	0	0	4,545
16	391.7 Transportation Equipment	0	0	0	0	0
17	392.7 Stores Equipment	723	0	0	0	723
18	393.7 Tools, Shop and Garage Equipment	143,554	32,901	0	0	176,455
19	394.7 Laboratory Equipment	23,076	6,686	(4,561)	0	25,200
20	395.7 Power Operated Equipment	7,366	3,033	0	0	10,400
21	396.7 Communication Equipment	4,199	0	0	0	4,199
22	397.7 Miscellaneous Equipment	70,253	242	0	0	70,495
23	398.7 Other Tangible Plant	(122)	0	0	0	(122)
24	Total General Plant	2,195,578	96,594	(5,235)	0	2,286,937
25	101 TOTAL UTILITY PLANT-IN-SERVICE	49,671,846	3,121,540	(541,725)	0	52,251,662

CAROLINA WATER SERVICES INC.

FOR THE YEAR ENDED 2016

(Company Name)

Schedule 202. ACCUMULATED DEPRECIATION OF UTILITY PLANT-IN-SERVICE
Account No. 108.1

Report below an analysis of the changes in accumulated depreciation during the year for each plant category.

Line No.	Depreciated Property Item (a)	Previous Year-End Balance (b)	Credits		Debits		Current Year-End Balance (g)
			Depreciation Expense (c)	Salvage and Other Credits (d)	Plant Retired (e)	Cost of Removal and Other Debits (f)	
1	351 Organization	115,082	(546)	0	-		114,535
2	353 Land & Land Rights		-	-	-		
3	354 Structure and Improvements	(731,706)	(134,255)	32,107	(16,054)		(849,908)
4	355 Power Generation Equipment	(7,551)	(1,333)	0	-		(8,884)
5	360 Collection Sewers - Force	(739,454)	(71,981)	21,816	(10,908)		(800,527)
6	361 Collection Sewers - Gravity	(3,038,397)	(243,391)	36,141	(18,071)		(3,263,717)
7	362 Special Collecting Structures	(1,246)	(806)	0	-		(2,052)
8	363 Services to Customers	120,568	(26,512)	61,615	(30,808)		124,864
9	364 Flow Measuring Devices	6,877	(721)	604	(302)		6,458
10	365 Flow Measuring Installations	(217)	(31)	-	-		(248)
11	366 Reuse Services	-	-	-	-		-
12	367 Reuse Meters and Meter Installations	-	(1)	-	-		(1)
13	370 Receiving Wells	(69)	(9)	-	-		(78)
14	371 Pumping Equipment	776,123	(43,264)	420,815	(210,407)		943,266
15	374 Reuse Distribution Reservoirs	(363)	(77)	(0)	-		(440)
16	375 Reuse Transmission and Distribution System	(3,397)	(1,103)	(0)	-		(4,500)
17	380 Treatment and Disposal Equipment	(2,088,662)	(225,807)	494,600	(247,300)		(2,067,169)
18	381 Plant Sewers	(8,365)	(4,779)	6,178	(3,089)		(10,055)
19	382 Outfall Sewer Lines	(38,753)	(4,262)	451	(225)		(42,790)
20	389 Other Plant and Misc. Equipment	(6,366)	(1,060)	(0)	-		(7,427)
21	390 Office Furniture and Equipment	(633)	(222)	(0)	-		(855)
22	391 Transportation Equipment		-	-	-		
23	392 Stores Equipment	(41)	(11)	0	-		(51)
24	393 Tools, Shop, and Garage Equipment	(13,409)	(2,438)	0	-		(15,847)
25	394 Laboratory Equipment	9,400	(371)	9,123	(4,561)		13,590
26	395 Power Operated Equipment	(760)	(127)	(0)	-		(887)
27	396 Communication Equipment	(1,014)	(63)	(0)	-		(1,077)
28	397 Miscellaneous Equipment	(2,638)	(1,057)	-	-		(3,695)
29	398 Other Tangible Plant	32	2	(0)	-		33
30	TOTAL ACCUMULATED DEPRECIATION OF UTILITY PLANT-IN-SERVICE	(5,654,960)	(764,226)	1,083,450	(541,725)	-	(5,877,461)

CAROLINA WATER SERVICES INC.**FOR THE YEAR ENDED 2016**

(Company Name)

Schedule 203. UTILITY PLANT ACQUISITION ADJUSTMENT
Account Nos. 114 and 115

Line No.	Description (a)	Amount (b)
1	Net Plant Book Value	
2	Less: Net Contributions	
3	Total Net Utility Plant Acquired	
4	Less: Purchase Price	
5	Total Utility Plant Acquisition Adjustment (Account No. 114)	(345,936)
6	Less: Accumulated Amortization of Utility Plant Acquisition (Account No. 115)	220,972
7	TOTAL NET UTILITY PLANT ACQUISITION ADJUSTMENT	(124,963)

Schedule 204. STATEMENT OF RETAINED EARNINGS
Account Nos. 214 and 215

Line No.	Account Number and Title (a)	Amount (b)
8	APPROPRIATED RETAINED EARNINGS	
9	Beginning of Year Balance	-
10	436 Appropriations of Retained Earnings	
11	437 Dividends Declared - Preferred Stock	
12	438 Dividends Declared - Common Stock	
13	214 TOTAL APPROPRIATED RETAINED EARNINGS	
14	UNAPPROPRIATED RETAINED EARNINGS	
15	Beginning of Year Balance	0
16	435 Balance Transferred from Income (Schedule 300)	0
17	439 Adjustments to Retained Earnings (per Waste Water report)	0
18	215 TOTAL UNAPPROPRIATED RETAINED EARNINGS	0
19	TOTAL RETAINED EARNINGS	0

Notes:

Retained Earnings are carried on Water Company

CAROLINA WATER SERVICES INC.**FOR THE YEAR ENDED 2016**

(Company Name)

Schedule 205. LONG-TERM DEBT - Account Nos. 221, 222, and 224
(Excluding Advances from Associated Companies)

Give below the particulars indicated of the long-term debt at end of year represented by unmatured obligations issued or assumed by the Company and group entries according to accounts and show the total for each account.

Line No.	Class and Series of Obligations (a)	Date of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding Per Balance Sheet (e)	Interest For Year	
						% Rate (f)	Amount (g)
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26	TOTAL LONG-TERM DEBT						

Schedule 206. CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)
Account No. 271

Line No.	Description (a)	Amount (b)
1	Beginning of Year Balance	16,940,798
2	Credits Added During the Year:	
3	Contributions Received from Capacity, Main Extensions and Customer Connection Charges	81,585
4	Contributions Received from Developer or Contract Agreements in cash or property	800
5	Total Credits	
6	Less: Debits Charged During the Year	
7	TOTAL CONTRIBUTIONS IN AID OF CONSTRUCTION	17,023,183

Schedule 207. ACCUMULATED AMORTIZATION OF CIAC
Account No. 272

Line No.	Description (a)	Amount (b)
8	Beginning of Year Balance	4,146,610
9	Debits Charged During the Year: Accruals Charged to Account 272	254,890
10	Other Debits Charged During the Year (specify):	
11		
12		
13		
14	Total Debits	254,890
15	Credits Added During the Year (specify):	
16		
17		
18		
19	Total Credits	0
20	TOTAL ACCUMULATED AMORTIZATION OF CIAC	4,401,500

21	TOTAL NET CONTRIBUTIONS IN AID OF CONSTRUCTION	12,621,683
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**Schedule 300. COMPARATIVE INCOME STATEMENT
REVENUES AND EXPENSES**

Line No.	Account Number and Title (a)	Current Year-End Balance (b)
1	UTILITY OPERATING INCOME	
2	400 Total Utility Operating Revenues (Schedule 301)	10,731,891
3	UTILITY OPERATING EXPENSES	
4	401 Operating Expenses (Schedule 302)	5,849,284
5	403 Depreciation Expenses (Schedule 303)	764,226
6	406 Amortization of Utility Plant Acquisition Adjustments	
7	407.1 Amortization of Limited Term Plant	
8	407.2 Amortization of Property Losses	
9	407.3 Amortization of Other Utility Plant	(260,079)
10	407.4 Amortization of Regulatory Assets	
11	407.5 Amortization of Regulatory Liabilities	
12	408.10 Utility Regulatory Assessment Fee	
13	408.11 Property Taxes	1,050,748
14	408.12 Payroll Taxes	106,700
15	408.13 Other Taxes and Licenses	88,075
16	409.10 Federal Income Taxes, Utility Operating Income	(1,652)
17	409.11 State Income Taxes, Utility Operating Income	3
18	409.12 Local Income Taxes, Utility Operating Income	
19	410.10 Deferred Federal Income Taxes	495,092
20	410.11 Deferred State Income Taxes	81,603
21	410.12 Deferred Local Income Taxes	
22	411.10 Provision for Deferred Income Taxes - Credit, Utility Operating Income	
23	412.10 Investment Tax Credits Deferred to Future Periods, Utility Operations	
24	412.11 Investment Tax Credits, Restored to Operating income, Utility Operations	(4,065)
25	Total Utility Operating Expenses	8,169,934
26	TOTAL NET UTILITY OPERATING INCOME (LOSS)	2,561,957
27	OTHER OPERATING INCOME (LOSS)	
28	413 Income from Utility Plant Leased to Others	
29	414 Gains (Losses) from Disposition of Utility Property	0
30	Total Other Operating Income (Loss)	0
31	OTHER INCOME AND DEDUCTIONS	
32	415 Revenues from Merchandising, Jobbing and Contract Work	
33	416 Costs and Expenses of Merchandising, Jobbing and Contract Work	
34	419 Interest and Dividend Income	
35	420 Allowance for Funds Used During Construction (AFUDC)	
36	421 Non-Utility Income	
37	426 Miscellaneous Non-Utility Expenses	
38	TOTAL OTHER INCOME AND DEDUCTIONS	

(Company Name)

Schedule 300. COMPARATIVE INCOME STATEMENT (Continued)
REVENUES AND EXPENSES

Line No.	Account Number and Title (a)	Current Year-End Balance (b)
1	TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS	
2	408.20 Taxes Other Than Income, Other Income and Deductions	
3	409.20 Income Taxes, Other Income and Deductions	
4	410.20 Provision for Deferred Income Taxes, Other Income and Deductions	
5	411.20 Provisions for Deferred Income Taxes, Credit, Other Income and Deductions	
6	412.20 Investment Tax Credits, Net, Non-Utility Operations	
7	412.30 Investment Tax Credits Restored to Non-Operating Income, Utility Operations	
8	TOTAL TAXES APPLICABLE TO OTHER INCOME AND DEDUC.	0
9	INTEREST EXPENSE	
10	427.1 Interest on Debt to Associated Companies	
11	427.2 Interest on Short-Term Debt	
12	427.3 Interest on Long-Term Debt	
13	427.4 Interest on Customer Deposits	
14	427.5 Interest - Other	777,260
15	428 Amortization of Debt Discount and Expense	
16	429 Amortization of Premium on Debt	
17	TOTAL INTEREST EXPENSE	777,260
18	EXTRAORDINARY ITEMS	
19	433 Extraordinary Income	
20	434 Extraordinary Deductions	
21	409.30 Income Taxes, Extraordinary Items	
22	TOTAL EXTRAORDINARY ITEMS	0
23	NET INCOME (LOSS)	1,784,697

SCHEDULE 301. OPERATING REVENUES
Account No. 400

Line No.	Account Number and Title (a)	Current Year-End Balance (b)
1	WASTEWATER SALES REVENUE	
2	521 Flat Rate Revenues - General Customers	
3	521.1 Residential	9,452,900
4	521.2 Commercial	1,035,234
5	521.3 Industrial	
6	521.4 Public Authorities	
7	521.5 Multiple Family Dwelling Revenues	
8	521.6 Other Revenues (Availability)	
9	Total Flat Rate (Unmetered) Revenues	10,488,134
10	522 Measured Revenues - General Customers	
11	522.1 Residential	(594)
12	522.2 Commercial	(14,700)
13	522.3 Industrial	
14	522.4 Public Authorities	
15	522.5 Multiple Family Dwellings Revenues	
16	Total Measured Revenues	(15,294)
17	523 Revenues from Public Authorities	
18	524 Revenues from Other Systems	
19	525 Interdepartmental Revenues	
20	TOTAL WASTEWATER SALES REVENUE	10,472,840
21	OTHER WASTEWATER REVENUES	
22	530 Guaranteed Revenues	
23	531 Sale of Biosolids	
24	532 Forfeited Discounts	74,899
25	534 Rents from Wastewater Property	
26	535 Interdepartmental Rents	
27	536 Other Wastewater Revenues	184,152
28	TOTAL OTHER WASTEWATER REVENUES	259,051
29	RECLAIMED WATER SALES	
30	540 Flat Rate Reuse Revenues	
31	540.1 Residential Reuse Revenues	
32	540.2 Commercial Reuse Revenues	
33	540.3 Industrial Reuse Revenues	
34	540.4 Reuse Revenues from Public Authorities	
35	540.5 Other Revenues	
36	541 Measured Reuse Revenue	
37	541.1 Residential Reuse Revenues	
38	541.2 Commercial Reuse Revenues	
39	541.3 Industrial Reuse Revenues	
40	541.4 Reuse Revenues from Public Authorities	
41	544 Reuse Revenues from Other Systems	
42	TOTAL RECLAIMED WATER SALES	-
43	400 TOTAL OPERATING REVENUES	10,731,891

CAROLINA WATER SERVICES INC.
(Company Name)

FOR THE YEAR ENDED 2016

**Schedule 302. OPERATING EXPENSES
OPERATION AND MAINTENANCE
Account No. 401**

Line No.	Account Number and Title (a)	Current Year-End Balance (b)
1	COLLECTION EXPENSES	
2	701 Salaries and Wages - Employees	
3	703 Salaries and Wages-Officers, Directors and Majority Stockholders	
4	704 Employee Pensions and Benefits	
5	715 Purchased Power	
6	716 Fuel for Power Production	
7	718 Chemicals	
8	720 Materials and Supplies	
9	731 Contractual Services - Engineering	
10	732 Contractual Services - Accounting	
11	733 Contractual Services - Legal	
12	734 Contractual Services - Management Fees	
13	735 Contractual Services - Testing	
14	736 Contractual Services - Other	
15	741 Rental of Building/Real Property	
16	742 Rental of Equipment	
17	750 Transportation Expenses	
18	756 Insurance - Vehicle	
19	757 Insurance - General Liability	
20	758 Insurance - Workman's Compensation	
21	759 Insurance - Other	
22	767 Regulatory Commission Expense - Other	
23	775 Miscellaneous Expenses	1,095,091
24	TOTAL COLLECTION EXPENSES	1,095,091

25	PUMPING EXPENSES	
26	701 Salaries and Wages - Employees	
27	703 Salaries and Wages-Officers, Directors and Majority Stockholders	
28	704 Employee Pensions and Benefits	
29	715 Purchased Power	611,298
30	716 Fuel for Power Production	
31	718 Chemicals	190,800
32	720 Materials and Supplies	
33	731 Contractual Services - Engineering	
34	732 Contractual Services - Accounting	
35	733 Contractual Services - Legal	
36	734 Contractual Services - Management Fees	
37	735 Contractual Services - Testing	
38	736 Contractual Services - Other	
39	741 Rental of Building/Real Property	
40	742 Rental of Equipment	
41	750 Transportation Expenses	
42	756 Insurance - Vehicle	
43	757 Insurance - General Liability	
44	758 Insurance - Workman's Compensation	
45	759 Insurance - Other	
46	767 Regulatory Commission Expense - Other	
47	775 Miscellaneous Expenses	
48	TOTAL PUMPING EXPENSES	802,098

CAROLINA WATER SERVICES INC.
(Company Name)

FOR THE YEAR ENDED 2016

Schedule 302. OPERATING EXPENSES (Continued)
OPERATION AND MAINTENANCE
Account No. 401

Line No.	Account Number and Title (a)	Current Year- End Balance (b)
1	TREATMENT AND DISPOSAL EXPENSES	
2	701 Salaries and Wages - Employees	1,383,004
3	703 Salaries and Wages-Officers, Directors and Majority Stockholders	
4	704 Employee Pensions and Benefits	
5	710 Purchased Wastewater Treatment	
6	711 Sludge Removal Expense	
7	715 Purchased Power	
8	716 Fuel for Power Production	
9	718 Chemicals	
10	720 Materials and Supplies	1,166,581
11	731 Contractual Services - Engineering	
12	732 Contractual Services - Accounting	
13	733 Contractual Services - Legal	
14	734 Contractual Services - Management Fees	
15	735 Contractual Services - Testing	
16	736 Contractual Services - Other	
17	741 Rental of Building/Real Property	
18	742 Rental of Equipment	
19	750 Transportation Expenses	
20	756 Insurance - Vehicle	
21	757 Insurance - General Liability	
22	758 Insurance - Workman's Compensation	
23	759 Insurance - Other	
24	767 Regulatory Commission Expense - Other	
25	775 Miscellaneous Expenses	155,045
26	TOTAL TREATMENT AND DISPOSAL EXPENSES	2,704,630

CAROLINA WATER SERVICES INC.

FOR THE YEAR ENDED 2016

(Company Name)

Schedule 302. OPERATING EXPENSES (Continued)**OPERATION AND MAINTENANCE****Account No. 401**

Line No.	Account Number and Title (a)	Current Year- End Balance (b)
1	RECLAIMED WATER TREATMENT EXPENSES	
2	701 Salaries and Wages - Employees	
3	703 Salaries and Wages-Officers, Directors and Majority Stockholders	
4	704 Employee Pension and Benefits	
5	715 Purchased Power	
6	716 Fuel for Power Production	
7	718 Chemicals	
8	720 Materials and Supplies	
9	731 Contractual Services - Engineering	
10	732 Contractual Services - Accounting	
11	733 Contractual Services - Legal	
12	734 Contractual Services - Management Fees	
13	735 Contractual Services - Testing	108,726
14	736 Contractual Services - Other	
15	741 Rental of Building/Real Property	
16	742 Rental of Equipment	
17	750 Transportation Expenses	91,199
18	756 Insurance - Vehicle	
19	757 Insurance - General Liability	
20	758 Insurance - Workman's Compensation	
21	759 Insurance - Other	
22	767 Regulatory Commission Expenses- Other	
23	775 Miscellaneous Expenses	
24	TOTAL RECLAIMED WATER TREATMENT EXP.	199,924
25	TOTAL OPERATION AND MAINTENANCE EXPENSES	4,801,744

CAROLINA WATER SERVICES INC.

FOR THE YEAR ENDED 2016

(Company Name)

Schedule 302. OPERATING EXPENSES (Continued)
CUSTOMER AND ADMINISTRATIVE AND GENERAL
Account No. 401

Line No.	Account Number and Title (a)	Current Year-End Balance (b)
1	CUSTOMER ACCOUNTS	
2	701 Salaries and Wages - Employees	
3	703 Salaries and Wages-Officers, Directors and Majority Stockholders	
4	704 Employee Pensions and Benefits	
5	715 Purchased Power	
6	716 Fuel for Power Production	
7	720 Materials and Supplies	
8	731 Contractual Services - Engineering	
9	732 Contractual Services - Accounting	
10	733 Contractual Services - Legal	
11	734 Contractual Services - Management Fees	
12	735 Contractual Services - Testing	
13	736 Contractual Services - Other	
14	741 Rental of Building/Real Property	
15	742 Rental of Equipment	
16	750 Transportation Expenses	
17	756 Insurance - Vehicle	
18	757 Insurance - General Liability	
19	758 Insurance - Workman's Compensation	
20	759 Insurance - Other	
21	767 Regulatory Commission Expense - Other	
22	770 Bad Debt Expense	130,213
23	775 Miscellaneous Expenses	0
24	TOTAL CUSTOMER ACCOUNTS	130,213
25	ADMINISTRATIVE AND GENERAL EXPENSES	
26	701 Salaries and Wages - Employees	(225,896)
27	703 Salaries and Wages - Officers, Directors, and Majority Stockholders	
28	704 Employee Pension and Benefits	296,504
29	715 Purchased Power	
30	716 Fuel for Power Production	
31	720 Materials and Supplies	332,448
32	731 Contractual Services - Engineering	3,096
33	732 Contractual Services - Accounting	35,569
34	733 Contractual Services - Legal	46,691
35	734 Contractual Services - Management Fees	
36	735 Contractual Services - Testing	
37	736 Contractual Services - Other	86,856
38	741 Rental of Building/Real Property	11,280
39	742 Rental of Equipment	
40	750 Transportation Expenses	
41	756 Insurance - Vehicle	
42	757 Insurance - General Liability	
43	758 Insurance - Workman's Compensation	
44	759 Insurance - Other	147,451
45	760 Advertising Expense	
46	766 Regulatory Commission Expenses- Amort. Of Rate Case Exp.	
47	767 Regulatory Commission Expenses- Other	139,584
48	775 Miscellaneous Expenses	43,743
49	TOTAL ADMINISTRATIVE AND GENERAL	917,326
50	401 TOTAL OPERATING EXPENSES	5,849,284

(Company Name)

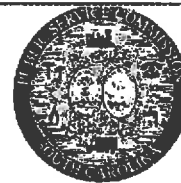
**Schedule 303. BASIS FOR DEPRECIATION CHARGES BY
PRIMARY ACCOUNTS
Account No. 403**

Line No.	Description of Property (a)	Original Cost (b)	Approved Depreciation Rates * (c)	Annual Depreciation (d)
1	351 Organization	36,430	1.50%	546
2	353 Land & Land Rights	106,099	0.00%	
3	354 Structure and Improvements	9,174,275	1.50%	134,255
4	355 Power Generation Equipment	88,848	1.50%	1,333
5	360 Collection Sewers - Force	4,813,781	1.50%	71,981
6	361 Collection Sewers - Gravity	16,156,629	1.50%	243,391
7	362 Special Collecting Structures	53,757	1.50%	806
8	363 Services to Customers	1,803,995	1.50%	26,512
9	364 Flow Measuring Devices	47,772	1.50%	721
10	365 Flow Measuring Installations	2,044	1.50%	31
11	366 Reuse Services	0	1.50%	0
12	367 Reuse Meters and Meter Installations	511	1.50%	1
13	370 Receiving Wells	602	1.50%	9
14	371 Pumping Equipment	3,023,810	1.50%	43,264
15	374 Reuse Distribution Reservoirs	5,194	1.50%	77
16	375 Reuse Transmission and Distribution System	75,475	1.50%	1,103
17	380 Treatment and Disposal Equipment	15,891,337	1.50%	225,807
18	381 Plant Sewers	320,275	1.50%	4,779
19	382 Outfall Sewer Lines	287,711	1.50%	4,262
20	389 Other Plant and Misc. Equipment	71,224	1.50%	1,060
21	390 Office Furniture and Equipment	4,545	1.50%	222
22	391 Transportation Equipment	0	20.00%	
23	392 Stores Equipment	723	1.50%	11
24	393 Tools, Shop, and Garage Equipment	176,455	1.50%	2,438
25	394 Laboratory Equipment	25,200	1.50%	371
26	395 Power Operated Equipment	10,400	1.50%	127
27	396 Communication Equipment	4,199	1.50%	63
28	397 Miscellaneous Equipment	70,495	1.50%	1,057
29	398 Other Tangible Plant	(122)	1.50%	(2)
30	TOTALS	52,251,662		764,226

* Use Straight-line depreciation rates as approved by the Commission.
Do not use Tax Depreciation Rates.



SOUTH CAROLINA PUBLIC SERVICE COMMISSION
and
SOUTH CAROLINA OFFICE OF REGULATORY STAFF
GROSS RECEIPTS FOR THE TWELVE (12) MONTHS ENDING JUNE 30, 2017
(Please correct preprinted information as required)



Carolina Water Service, Inc.		36-2750548	
Company Name (as shown on Certificate)		FEIN	
List d/b/a and/or f/k/a aliases			
150 Foster Brothers Dr	West Columbia	SC	29172
Address	City	State	Zip Code
Michael Cartin	1-800-367-4314	mrcartin@uiwater.com	
Regulatory Contact	Area Code & Phone Number	E-Mail	

INTRASTATE GROSS RECEIPTS

Revenues Derived Via South Carolina Operations from:

Water Revenues	(Water)	\$ 10,533,632.17
Sewer Revenues	(Sewer)	10,559,818.59
Electricity Revenues	(Electric)	
Natural Gas Revenues	(Gas)	
Railroad Revenues	(Railroad)	
Telecommunications Revenues:		
ILEC (Local Exchange)	(ILEC)	
CLEC (Competitive Local Exchange)	(CLEC)	
IXC (Long Distance)	(IXC)	
PSP (Payphone Service Provider)	(PSP)	
Wireless (Eligible Telecommunications Carrier)	(Wireless ETC)	

Total Revenues Derived Via South Carolina Operations

\$

Preparer's Signature

Date

Affidavit

State of South Carolina County of Lexington
Personally appeared before me Michael Cartin who, being duly sworn,
says that he/she is the operations manager of Carolina Water Service (Company) and
that the foregoing statement, for the twelve (12) months ending June 30, 2017, is correctly taken from the books and records of
said Company, and is true to the best of his/her knowledge and belief.

Sworn to and subscribed before me this 14th day of July, 2017.

Notary Public

My commission expires 11/08/2021

Place

Seal

Here

Return completed form to:

South Carolina Office of Regulatory Staff
Attention: Gross Receipts Department
1401 Main Street, Suite 900
Columbia, SC 29201

Failure to timely complete and submit this form
could result in the loss of your license, authority
or certificate to operate in South Carolina.

Return Deadline is August 31, 2017

EXHIBIT F

Utility System Improvement Rate

Utility System Improvement Rate

A. Definitions

"Capitalized cost." Costs permitted to be capitalized pursuant to the Uniform System of Accounts and Generally Accepted Accounting Principles.

"System improvement rate." A charge imposed to recover the reasonable and prudent costs incurred to repair, improve or replace eligible system improvements that are part of the utility's system.

"Eligible system improvements." Eligible utility system improvements shall include only those improvements found necessary by the Public Service Commission ("Commission") to enable Carolina Water Service, Inc. ("CWS") to provide safe, reliable and efficient service in accordance with applicable water quality and effluent standards. Eligible improvements shall be as follows:

(1) For the water utility, eligible system improvements shall include:

- (i) Distribution system mains, transmission mains, valves, utility service lines (including meter boxes and appurtenances), meters, and hydrants installed as replacements.
- (ii) Main extensions installed to eliminate dead ends and to implement solutions to regional water supply in order to comply with primary and, secondary drinking water standards.
- (iii) Equipment and infrastructure installed to comply with primary drinking water standards.
- (iv) Equipment and infrastructure installed to comply with secondary drinking water standards.
- (v) Unreimbursed costs of relocating facilities due to highway projects.
- (vi) Drilling new wells or rehabilitating existing wells.
- (vii) Booster stations and appurtenances.
- (viii) Installing bulk water inter-connections to satisfy capacity or drinking water standards.
- (ix) Other related capitalized costs and the costs associated with filing a petition as per the guidelines in section C 2 .

(2) For the wastewater utility, eligible system improvements shall include:

- (i) Collection sewers, collecting mains and service laterals, including sewer taps, curbstops and lateral cleanouts installed as replacements for customers.
- (ii) Collection mains and valves for gravity and pressure systems and related facilities such as manholes, grinder pumps, air and vacuum release chambers, cleanouts, main line flow meters, valve vaults and lift stations installed as replacements or upgrades for existing facilities that have worn out, are in deteriorated condition or are required to be upgraded by law, regulation or order.

- (iii) Collection main extensions installed to implement solutions to wastewater problems that present a significant health and safety concern for customers currently receiving service from the wastewater utility.
- (iv) Collection main rehabilitation including inflow and infiltration projects.
- (v) Unreimbursed costs related to highway relocation projects where a wastewater utility must relocate its facilities.
- (vi) Improvements necessary to reduce inflow and infiltration to the collection system to comply with applicable State and federal law and regulations.
- (vii) Relining projects and main cleaning associated with those projects.
- (viii) Replacement of pumps and motors.
- (ix) Other related capitalized costs and the costs associated with filing a petition as per the guidelines in section C 2.

"Utility." Carolina Water Service, Inc., water and/or wastewater utility.

B. System Improvement Rate

1. Authority.--CWS may petition the commission, and the commission, after public notice and opportunity to be heard, may approve the establishment of a system improvement rate to provide for the timely recovery of the reasonable and prudent costs incurred to ensure and maintain adequate, efficient, safe, reliable and reasonable service.

2. Petition.--A petition for commission approval of a system improvement rate shall include the following:

- (a) The proposed tariff shall include the following:
 - (i) A description of the eligible system improvements.
 - (ii) The effective date of the system improvement rate.
 - (iii) Computation of the system improvement rate.
 - (iv) The method by which the utility will provide annual updates of the system improvement rate.
- (b) Any other information required by the commission.

C. Customer notice.

CWS shall provide notice to customers in bill inserts or through other means as prescribed by the commission of the following:

- (1) Submission of the proposed system improvement rate and initial tariff.
- (2) Any changes that occur as a result of annual adjustments.

(3) Any other information required by the commission.

D. Review.

Following the filing of a petition in compliance with section B (relating to system improvement rate), the commission shall, after an audit by the South Carolina Office of Regulatory Staff (“ORS”), and after notice, approve, modify or reject the system improvement rate and initial tariff.

E. Computation of charge.

1. Recovery.--The following shall apply:

(a) The initial system improvement rate shall be calculated to recover the fixed cost of eligible system improvements and the costs associated with filing a petition as per the guidelines in section B (2) that has:

(i) Not previously been reflected in the utility's rates or rate base.

(ii) Been placed in service during the twelve-month period ending one month prior to the effective date of the system improvement rate.

(b) After calculation of the initial charge under paragraph (a), the system improvement rate must be updated on an annual basis to reflect eligible system improvements placed in service during the twelve-month period ending one month prior to the effective date of each system improvement rate update.

(c) The fixed cost of eligible system improvements shall consist of depreciation and pretax return.

2. Depreciation calculation.--Depreciation shall be calculated by applying the original cost of the eligible system improvements to the annual accrual rates employed in the utility's most recent base rate case for the plant accounts in which each retirement unit of eligible system improvement is recorded. The following shall apply:

(a) The pretax return shall be calculated using the federal and State income tax rates, the utility's actual capital structure and actual cost rates for long-term debt and preferred stock as of the last day of the twelve-month period ending one month prior to the effective date of the system improvement rate and subsequent updates.

(b) The cost of equity shall be the equity return rate approved in the utility's most recent base rate proceeding for which a final order was entered.

3. Recovery of costs.--CWS may file tariffs to provide for recovery of the depreciation and pretax return fixed costs of eligible system improvements, as approved by the commission, that are completed and placed in service between base rate proceedings.

4. Calculation.--

(a) The system improvement rate shall be expressed as a monthly flat rate charge per single-family house, condominium, mobile home, or apartment unit and shall be applied in a manner consistent with section F (relating to customer protections) to each customer under the utility's applicable rates and charges.

(b) Supporting data for each annual update shall be filed with the commission at least ten days prior to the effective date of the update.

(d) A sample calculation is attached hereto as Exhibit "A".

F. Customer protections.

Cumulative system improvement charges pursuant to this rate adjustment mechanism may not exceed ten percent (10%) of the total annual service revenues approved by the Commission in CWS' last general rate case.

2. Charge reset.--

(a) The system improvement rate shall be reset at zero as of the effective date of new base rates that provide for prospective recovery of the annual costs previously recovered under the system improvement rate.

(b) After the reset date under paragraph 2 (a), only the fixed costs of new eligible system improvements that have not previously been reflected in the utility's rate base shall be reflected in the annual updates of the system improvement rate.

(c) The system improvement rate shall be reset at zero if, in any annual, data filed with the commission in the utility's most recent annual report show that the utility will earn a rate of return that would exceed the allowable rate of return used to calculate its fixed costs under the system improvement rate.

4. Commission.--The commission shall prescribe the specific procedures to be followed. A system improvement rate approved by the commission shall provide:

(a) That the system improvement rate shall be applied per single-family house, condominium, mobile home or apartment unit:

(b) A process to adjust the charge and to provide:

(i) Credit to customer accounts for over collections and collections for ineligible projects.

(ii) Charges to customer accounts for under collections.

(c) A cap on the amount that may be collected from customers under this subchapter.

5. Audit and reconciliation.--The following shall apply:

(a) The system improvement rate shall be subject to the following:

(i) Audit at intervals determined by the Office of Regulatory Staff.

- (ii) Annual reconciliation based on a reconciliation period consisting of the 12 months ending December 31 of each year.
- (b) The revenue received under the system improvement rate for the reconciliation period shall be compared to CWS's eligible costs for that period. The difference between revenue and costs shall be credited to CWS's customers over a one-year period.
- (c) If revenues received from the system improvement rate exceed eligible costs, the over collections shall be refunded with interest. Interest on the over collections shall be calculated at CWS cost of debt and shall be refunded in the same manner as an over collection.

Application for Utility System Improvement Rate (USIR)

Example Calculation of Water Territory I Rate

CAPITAL NUMBERS ARE NOT ACTUAL DATA AND ARE INTENDED FOR ILLUSTRATIVE PURPOSES ONLY AS NOTED

Line No.		2018 CY	Notes
1			
2	Capital Additions [1]	\$ 1,500,000	Input for illustrative purpose
3	Retirements [1]	\$ (75,000)	Input for illustrative purpose
4			
5	Net Investor Supplied Water Additions	\$ 1,425,000	= 2 + 3
6			
7	Pre-Tax Rate of Return [2]	12.05%	Input from Rate Case Application
8			
9	Pre-Tax Return on Net USIR Additions	\$ 171,718	= 5 * 7
10			
11	Depreciation (1.5%) on USIR Additions	\$ 21,375	= 5 * 1.5%
12			
13	Total Water USIR Revenues	\$ 193,093	= 9 + 11
14			
15	Annual Water Billing Units	116,342	Input from Rate Case Application
16			
17	USIR Water Rate - Flat	\$ 1.66	= 13 / 15
18			
19	Base Water Revenues Approved in Rate Case [3]	\$ 6,919,141	Input from Rate Case Application
20			
21	USIR Revenues as % of Prior Base Revenues [4]	2.79%	= 13 / 19
22			
23	Max USIR Water Revenues (10% Cap Threshold) [4]	\$ 691,914	= 19 * 10.0%
24			
25	Max USIR Water Rate - Flat	\$ 5.95	= 23 / 15

Notes:

- [1] Items included in capital costs and retirements subject to audit to determine validity under requirements approved under USIR mechanism.
- [2] Pre-Tax Rate of Return as calculated and approved in most recent rate request.
- [3] Base Revenues as calculated and approved in most recent rate request.
- [4] % of Base Revenues in Prior Case must be under 10% threshold as approved under USIR mechanism.

Application for Utility System Improvement Rate (USIR)

Example Calculation of Water Territory II Rate

CAPITAL NUMBERS ARE NOT ACTUAL DATA AND ARE INTENDED FOR ILLUSTRATIVE PURPOSES ONLY AS NOTED

Line No.		2018 CY	Notes
1			
2	Capital Additions [1]	\$ 1,000,000	Input for illustrative purpose
3	Retirements [1]	\$ (50,000)	Input for illustrative purpose
4			
5	Net Investor Supplied Water Additions	\$ 950,000	= 2 + 3
6			
7	Pre-Tax Rate of Return [2]	12.05%	Input from Rate Case Application
8			
9	Pre-Tax Return on Net USIR Additions	\$ 114,479	= 5 * 7
10			
11	Depreciation (1.5%) on USIR Additions	\$ 14,250	= 5 * 1.5%
12			
13	Total Water USIR Revenues	\$ 128,729	= 9 + 11
14			
15	Annual Water Billing Units	79,536	Input from Rate Case Application
16			
17	USIR Water Rate - Flat	\$ 1.62	= 13 / 15
18			
19	Base Water Revenues Approved in Rate Case [3]	\$ 5,918,169	Input from Rate Case Application
20			
21	USIR Revenues as % of Prior Base Revenues [4]	2.18%	= 13 / 19
22			
23	Max USIR Water Revenues (10% Cap Threshold) [4]	\$ 591,817	= 19 * 10.0%
24			
25	Max USIR Water Rate - Flat	\$ 7.44	= 23 / 15

Notes:

- [1] Items included in capital costs and retirements subject to audit to determine validity under requirements approved under USIR mechanism.
- [2] Pre-Tax Rate of Return as calculated and approved in most recent rate request.
- [3] Base Revenues as calculated and approved in most recent rate request.
- [4] % of Base Revenues in Prior Case must be under 10% threshold as approved under USIR mechanism.

Application for Utility System Improvement Rate (USIR)

Example Calculation of Waste-Water Rate

CAPITAL NUMBERS ARE NOT ACTUAL DATA AND ARE INTENDED FOR ILLUSTRATIVE PURPOSES ONLY AS NOTED

Line No.		2018 CY	Notes
1			
2	Capital Additions [1]	\$ 2,500,000	Input for illustrative purpose
3	Retirements [1]	\$ (125,000)	Input for illustrative purpose
4			
5	Net Investor Supplied Waste-Water Additions	\$ 2,375,000	= 2 + 3
6			
7	Pre-Tax Rate of Return [2]	12.05%	Input from Rate Case Application
8			
9	Pre-Tax Return on Net USIR Additions	\$ 286,196	= 5 * 7
10			
11	Depreciation (1.5%) on USIR Additions	\$ 35,625	= 5 * 1.5%
12			
13	Total Waste-Water USIR Revenues	\$ 321,821	= 9 + 11
14			
15	Annual Waste-Water Billing Units	162,908	Input from Rate Case Application
16			
17	USIR Waste-Water Rate - Flat	\$ 1.98	= 13 / 15
18			
19	Base Waste-Water Revenues Approved in Rate Case [3]	\$ 11,194,719	Input from Rate Case Application
20			
21	USIR Revenues as % of Prior Base Revenues [4]	2.87%	= 13 / 19
22			
23	Max USIR Waste-Water Revenues (10% Cap Threshold) [4]	\$ 1,119,472	= 19 * 10.0%
24			
25	Max USIR Waste-Water Rate - Flat	\$ 6.87	= 23 / 15

Notes:

[1] Items included in capital costs and retirements subject to audit to determine validity under requirements approved under USIR mechanism

[2] Pre-Tax Rate of Return as calculated and approved in most recent rate request.

[3] Base Revenues as calculated and approved in most recent rate request.

[4] % of Base Revenues in Prior Case must be under 10% threshold as approved under USIR mechanism.